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TOMORROW

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● The fifth part of our 12-part series, FT Mastering Finance, appears on Monday. Topics include foreign exchange, shareholder value and the takeover premium.

Financial services processing ready to switch online

Use of the internet by financial services companies for processing transactions is set to soar, according to a survey by Ernst & Young, the accounting and consultancy firm. At the moment about 13 per cent of 130 financial services companies in 17 countries surveyed are using the internet for transactions with customers - but this is set to jump to 60 per cent by 1999, or 87 per cent for US firms. Only 6 per cent have no plans to introduce transaction processing on the internet. "In 1996, there was virtually no internet transaction processing in the US," said Phil Lawrence of Ernst & Young's financial services consulting gorup. Page 18; Editorial Comment, Page 17

Employers fearful over EU: The presidents of Unice, the European employers' federation, will today make a heartfelt plea to EU leaders to preserve the balance between economic and social objectives when the union's founding treaty is amended later this month. Having watched with some alarm the changing colour of EU governments over the past month, they will stress that social initiatives must not be allowed to damage competitiveness. Page 2

Swiss weapons vote: A Swiss referendum on whether to ban arms exports could affect all but the humble Swiss Army Knife. Swiss Army Brands, the US company with sole rights to the Swiss Army trademark, insists the penknife is a pocket tool, not a weapon. Page 18

Venezuelan oil bonanza: Investors have bid a record amount in Venezuela's tender for oil operating licences to secure their access to the western hemisphere's largest proven reserves. More than 130 companies bid in excess of $1.9bn for rights to operate 14 out of 20 fields. Page 19

Ukrainian 'travesty': Ukraine's energy sector has failed to live up to its promise less than three months after the establishment of a competitive market structure. "It's a travesty," said one Western expert. Page 3

German GDP up: Germany's economic recovery became significantly better entrenched in the first three months of this year, with gross domestic product half a per cent higher than in the last quarter of 1996. Page 2

Bulgari expansion plans: Bulgari, the Italian jewellery group, plans to open 20 stores worldwide over the next two years and diversify into new products including eyewear and leather goods. Page 19

Deal for part-time workers: European trade unions and employers are expected to sign an agreement today giving part-time employees across the EU the legal right to equal treatment with those in full-time jobs. Page 2

European music royalties: The UK and Dutch societies responsible for collecting royalties on behalf of musicians are working on plans to establish a pan-European network. Page 6

Hungarian changes: The Hungarian government plans to alter the level of state-held stakes in some 80 of the 193 companies considered vital to the national interest. Page 2

Maxim's wine sale: Paris restaurant Maxim's auctioned off 8,000 bottles of wine from its cellars, earning FFr9.7m ($1.9m) for the restaurant's owner Pierre Cardin.

the clothes line: father and son fashion

in the award-winning **how to spend it** magazine

FT.com: the FT web site provides online news, comment and analysis at http://www.FT.com

STOCK MARKET INDICES

New York lunchtime		
Dow Jones Ind Av	7,336.19	(+66.53)
NASDAQ Composite	1,381.67	(+12.0)
Europe and Far East		
CAC40	2,690.86	(+55.48)
DAX	3,673.03	(+11.19)
FTSE 100	4,576.2	(+19.1)
Nikkei	20,438.15	(-123.41)

US LUNCHTIME RATES

Federal Funds	5½%
3-mth Treas Bills: Yld	5.062%
Long Bond	98⅜
Yield	6.880%

OTHER RATES

UK: 3-mo Interbank	6⅝%	(6⅝%)
UK: 10 yr Gilt	100⅜	(100⅜)
France: 10 yr OAT	98.29	(98.01)
Germany: 10 yr Bond	101.29	(101.39)
Japan: 10 yr JGB	103.2808	(103.327)

NORTH SEA OIL (Argus)

Brent Dated	$17.94	(18.39)

GOLD

New York: Comex		
(June)	$343.0	(340.9)
London:		
close	$342.95	(342.05)

DOLLAR

New York lunchtime		
£	1.6325	
DM	1.72935	
FFr	5.83465	
SFr	1.448	
Y	115.825	
London:		
£	1.6309	(1.6285)
DM	1.7289	(1.7294)
FFr	5.8325	(5.832)
SFr	1.4472	(1.4446)
Y	115.575	(116.14)
Tokyo close:	Y 115.94	

STERLING

DM	2.8197	(2.8152)

[illegible]

Move set to anger Germany ■ Waigel faces test of strength over budget discipline

MEPs force Emu pact changes

By Lionel Barber and John Kampfner in Malmo

In a move certain to anger Germany, the European Parliament has pushed through amendments which weaken the "stability and growth pact" on budget discipline in the future single currency zone.

European Union finance ministers will consider the amendments in Luxembourg on Sunday and Monday. Already, the meeting looks like turning into a test of strength for Mr Theo Waigel, German finance minister and architect of the pact.

Mr Waigel's reputation has taken a hammering in the past fortnight after the Bundesbank rejected his plan to revalue its gold and foreign exchange reserves to meet the 1997 public deficit criterion for Emu.

Moreover, the new Socialist-led government in France has raised doubts about the terms of the pact, which was agreed only after marathon negotiations between France and Germany at the EU summit in Dublin last December.

It emerged yesterday – in the margins of the Congress of the Party of European Socialists in Malmo, Sweden – that MEPs had, in effect, held the Dutch presidency to ransom over the pact, which calls for sanctions and fines against countries breaching the deficit limit of 3 per cent of gross domestic product.

Mr Alan Donnelly, a British socialist MEP, said he had warned Mr Gerrit Zalm, Dutch finance minister, that failure to accept amendments would run the risk of there being no parliamentary opinion on the subject in time for the Amsterdam summit on June 16-17.

The amendments to the pact threaten concessions which Mr Waigel and Mr Hans Tietmeyer, Bundesbank president, trumpeted in May after a meeting of EU finance ministers in the Dutch town of Noordwijk:

- Before imposing sanctions against "fiscal delinquents", EU finance ministers must distinguish between (benign) borrowing for investment and borrowing to fund deficits.
- Germany's insistence that euro-zone countries should aim for budgetary balance in the medium term appears in a council resolution with cross-references to the EU regulation creating the stability pact.

These cross-references have been removed, dashing German hopes that the text could have quasi-legal force rather than being a mere political declaration.

- Germany – supported by the Dutch – wanted the proceeds from fines to be distributed to the sound members of the euro-zone. But the European Parliament insists there is no legal basis for this.

EU finance ministers still have the power to throw out the amendments, but this would lead to an impasse before the Amsterdam

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Nippon Life in pension link-up with US group

By Gwen Robinson in Tokyo and John Authers in New York

Nippon Life, the world's largest life insurer, and Putnam Investments, one of the largest US fund managers, yesterday launched a strategic alliance to manage Japanese pension funds in one of the most significant moves yet by a foreign fund manager into Japan's life market.

The move comes in response to growing competition and declining investment yields among Japanese life insurers ahead of the government's "big bang" financial deregulation, at a time when US mutual fund companies are looking to expand into foreign markets.

Nippon Life, which has a sales force of 76,000 and 17.5m policyholders, gives Putnam a strong foothold in the Japanese market. The Japanese group has total assets of Y39,000bn ($355bn) and accounts for nearly 21 per cent of the Japanese market.

Under the deal, Putnam will manage Y80bn in assets globally for Nippon Life, mostly covering non-Japanese securities, and develop products for Japanese institutional pension clients.

It will also share data and research, and train Nippon Life's employees in investment management, marketing and client service.

"The tie-up is very significant, but not very surprising, in view of the explosive growth in Japanese pension funds and the ongoing shift of money from life insurance contracts to fund management contracts," said Mr Andrew Smithers, an independent London-based economist.

Japanese life insurers manage about a third of the country's corporate pension assets, he said, but they hold them under relatively unattractive conditions which guarantee returns for only one year.

Pension funds were increasingly fighting back by switching to contracts linked to fund management, he added.

The alliance seems certain to be the model for further joint ventures. The Japanese market is lucrative and has until recently been highly protected. Foreigners offering more sophisticated services and higher returns have a powerful appeal for domestic pension funds.

Boston-based Putnam, the fifth largest US mutual fund manager with total assets of $190bn, last year registered $36bn in new cash flow into mutual funds alone, making it the biggest seller of mutual funds through intermediaries, and allowing it to overtake the sales registered by Fidelity Investments, the world's largest fund manager.

It is also a leader in managing so-called 401(k) defined-contribution pension funds for companies, managing about $30bn.

Much of its success is based on a system of quantitative fund management which requires fund managers to adhere rigidly to guidelines, providing funds which invest in a narrowly defined range of securities.

Leading from the front: France's new prime minister Lionel Jospin leads some of his ministers out of their first cabinet meeting in Paris yesterday where they were formally introduced to President Jacques Chirac. Reports, Page 2

Picture: Reuter

Korean leader's son on bribery charges

By John Burton in Seoul

The younger son of South Korea's president Kim Young-sam was charged yesterday with bribery and tax evasion in a further blow to his father's administration.

Mr Kim Hyun-chul was formally charged with taking Won3.2bn ($35m) in bribes from several businessmen, and with evading Won1.5bn in taxes on a political slush fund *that he controlled.*

His recent arrest came in the wake of the bribes-for-loans scandal surrounding the bankrupt Hanbo steel group, in which several top government officials have been implicated. Eleven senior businessmen and politicians were convicted this week in the scandal.

The president's son had been cleared of allegations that he was connected to the Hanbo affair but prosecutors uncovered the alleged bribery while investigating that case.

They claim the son, who had political aspirations and was known as the "crown prince", had managed a Won12bn slush fund left over from his father's 1992 election campaign – and it is 1992 election funds that are at the centre of a new controversy.

The political opposition alleges that Hanbo contributed up to $100m to the president in return for gaining bank loans after his election.

President Kim's refusal last week to disclose the donors to his election campaign, and to answer charges that he exceeded the legal limit on campaign spending, provoked street rioting by students

Continued on Page 18

Foreign backers seek talks on Nigeria LNG sackings

By Robert Corzine in London and Antony Goldman in Lagos

Foreign partners in Nigeria's $4bn liquefied natural gas project are urgently seeking a meeting with the government after Mr Dan Etete, the oil minister, sacked the board of directors of what is the biggest industrial venture in sub-Saharan Africa.

The foreign partners in Nigeria LNG (NLNG) include Royal Dutch/Shell, Elf of France and Agip of Italy. Yesterday they held emergency consultations to agree a common approach to the issne.

Mr Etete said he acted because "the rights of some shareholders were being denied", while the authority of the board was being "usurped by some self-styled powerful shareholders".

Mr Etete also ordered NLNG's senior executives to report directly to his office. Nigeria holds a 49 per cent atake in NLNG through the state-owned Nigeria National Petroleum Corporation.

Construction at the project site on Bonny Island in Rivers state, Nigeria's main oil and gas producing region, has not been affected. But Mr Etete's action is seen as a serious threat to the project, which is due to begin exporting in 1999.

The foreign partners have declined to comment publicly on Mr Etete's move, although they are thought to be looking into the legality of the action. But as one industry observer noted yesterday, even if the six foreign directors are not affected by his action, the removal of the six NNPC-nominated directors would leave the board without a quorum and thus powerless to act.

While Mr Etete has been accused of incompetence and corruption by a number of prominent officials, be is widely held to have enjoyed the confidence of General Sani Abacha, the head of state.

"A decision of this magnitude could not have been taken without full endorsement from the very top," said one diplomat in Lagos.

Nigerian oil industry officials have suggested that Agip, which has a 10.4 per cent stake in NLNG, shared the minister'e frustration over contractual terms granting Shell, the second largest shareholder with a 25.8 per cent stake, the right to nominate NLNG's managing director.

There was intense speculation as to whether Mr Etete's actions were linked to controversy over a long-term contract worth several billion dollars to supply LNG to Enel, Italy'a state electricity generator. Enel has tried to cancel the contract, which is now the subject of arbitration. Last March Mr Etete personally intervened in the dispute.

There is increasing discontent among US and European operators over Mr Etete's management, which introduced new layers of bureaucracy.

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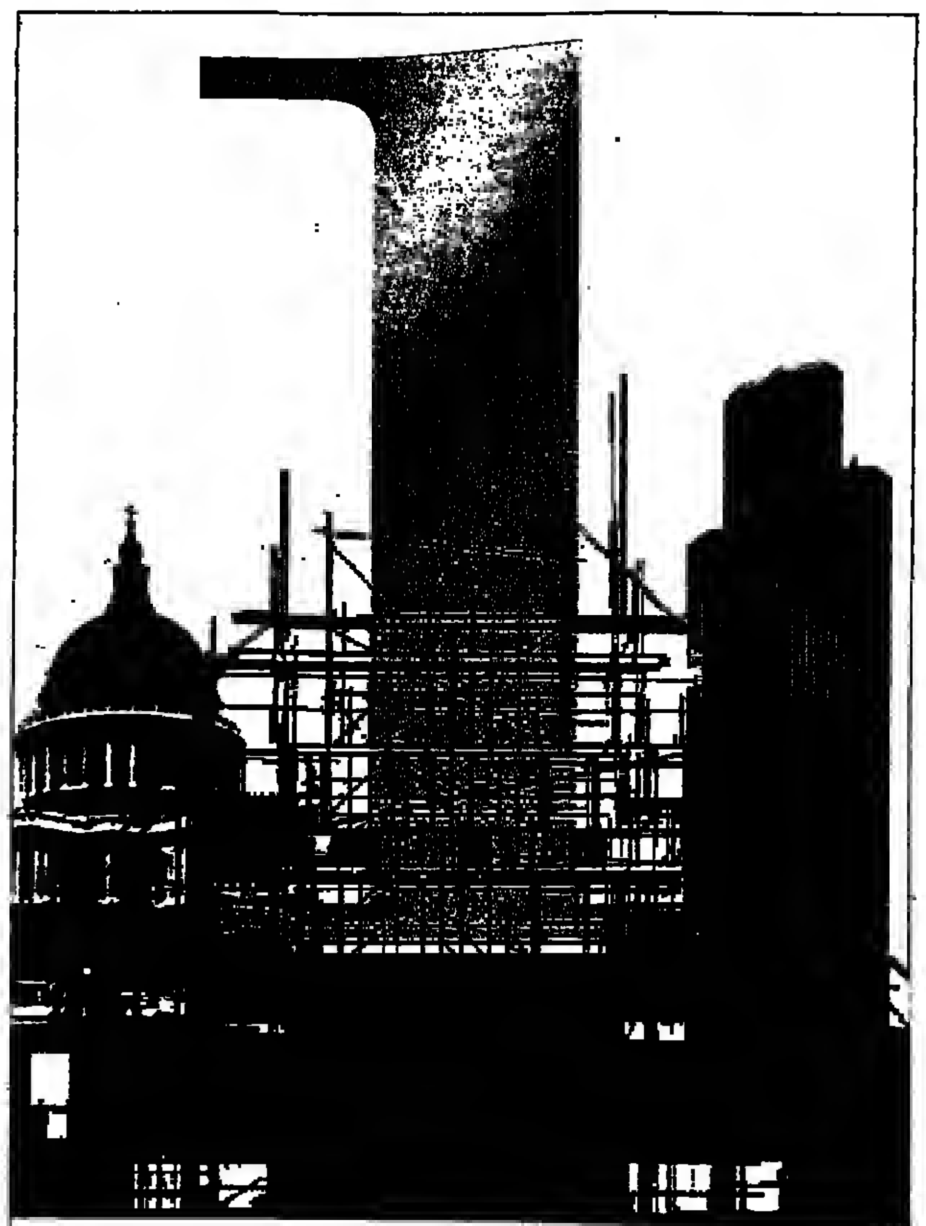


Political foes declare 'mutual respect' as French prepare for an uneasy cohabitation

Chirac sizes up Jospin's cabinet

By David Buchan and David Owen in Paris

France's cohabitation government moved gingerly into gear yesterday with a cabinet meeting at which the Socialist prime minister, Mr Lionel Jospin, promised to respect "the high constitutional prerogatives" of the Gaullist President Jacques Chirac, who in turn called for "mutual respect".

The purely formal session was for Mr Jospin to introduce to President Chirac the 16 ministers and 10 junior state secretaries named on Tuesday evening. But it was not followed by a "family photo" of the president and his ministers on the Elysée steps, as happens when they are of the same party.

Though dominated by Mr Jospin's Socialist party, the government has a Green as environment minister and three Communists, responsible for transport, sport and tourism. However, the Paris Bourse reacted well, with its CAC-40 index closing 2.11 per cent up on the day.

There was less encouraging news in figures released yesterday by Insee, the national statistics institute, showing that the French economy grew by a slower-than-expected 0.2 per cent in the first quarter, held back by dwindling stocks and declining investment.

The figures confounded economists' forecasts of first-quarter growth of between 0.4 and 0.5 per cent and increased doubts about the departing centre-right administration's predictions for 1997 growth of "a minimum" of 2.3 per cent.

Slower growth would make it harder for the new government to narrow the public deficit to 3 per cent of gross domestic product and so qualify for European monetary union.

Mr Jospin has ruled out new austerity measures as a means of achieving this Maastricht criterion, which was recently dismissed as "dogma" by Mr Dominique Strauss-Kahn, the new economics minister.

The poor stocks and investment performance in yesterday's figures largely offset positive contributions from consumption and foreign trade. The overall rate of expansion was unchanged from the final quarter of 1996 which brought growth for the year as a whole to a sluggish 1.5 per cent.

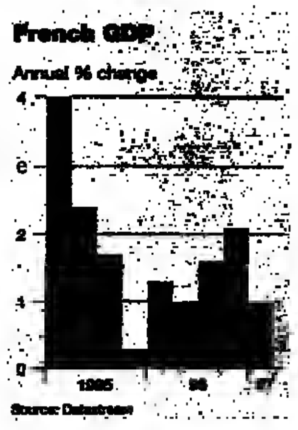
Mrs Martine Aubry, the labour and social affairs minister, who ranks number two in the government, said after the meeting she would work with Mr Strauss-Kahn to "get the country going again" and to "stimulate recovery and jobs".

Mr Strauss-Kahn said he intended to "pursue that part of the previous government's action which went in the right direction", and that France's partners, especially Germany, "have no cause for concern".

He and other ministers met later to prepare next week's Franco-German summit. Mr Pierre Moscovici, junior minister on Europe, said the new government would stick to Mr Jospin's campaign commitments to get Europe to take more account of France's social and job concerns.

Mrs Aubry, daughter of Mr Jacques Delors, the former European Commission president, is one of eight women who are full or junior ministers. This makes the new government one of France's most feminine, after a campaign in which 30 per cent of the Socialist candidates were female. Ranking third in the government is Mrs Elizabeth Guigou as justice minister.

Mr Jospin has put his own stamp on the government by generally ignoring past Socialist heavyweights in favour of fresh blood and out of a need to accommodate his Communist, Citizens' Movement and Green electoral allies.



Source: Datastream

Foreign minister faces policy balancing act

The new foreign minister of France's Socialist-led government, Mr Hubert Védrine, is a clever, wry veteran of the Mitterrand years at the Elysée palace, who combines idealism about Europe with a certain cynicism about diplomacy in general.

Like the new defence minister, Mr Alain Richard, Mr Védrine is a relatively unknown figure, and his appointment seems tailored to ensure President Jacques Chirac can continue to exercise his constitutional right to take the lead in shaping foreign and security policy.

Mr Védrine, 49, was chosen because of his considerable experience of running foreign policy in times of "cohabitation", when the president and government come from rival political parties.

He enjoys a close friendship with key players such as Mr Joachim Bitterlich, Chancellor Helmut Kohl's francophone foreign policy adviser, whom he will see again at next week's Franco-German summit. However, he is not enamoured of the conditions which the Socialists have tied to the single currency, which may set him at odds with his junior minister for Europe, Mr Pierre Moscovici, who wrote those conditions into the Socialist campaign programme.

Mr Richard, 51, has no significant experience of defence, except as a budgetary issue in the Senate. This would have left Mr Chirac a clear field, were it not for general Socialist opposition to several aspects of the president's wide-ranging defence reforms.

More Gaullist than the Gaullist president, the Socialists have criticised Mr Chirac for so far failing to persuade the US to "Europeanise" Nato sufficiently to warrant France's reintegration into the Nato military command. But the government will let Mr Chirac try to exact more concessions from Washington before the Nato summit in early July.

Confined to the interior ministry is the government's most nationalist member, Mr Jean-Pierre Chevènement, the leader of the Citizens Movement party who has always denounced Maastricht as putting France in thrall to Germany. His views could lead to changes in France's call in the EU's IGC for joint European decision-making in police and internal security.

Set against him on the issue of European judicial co-operation, however, will be Mrs Elizabeth Guigou, the new justice minister and fervent pro-European.

David Buchan


New faces: Foreign minister Hubert Védrine, a clever, wry veteran (top), while economics minister Dominique Strauss-Kahn has been long allied with Mr Jospin

Super-ministry of economics to hold key power

He may not rank at the top of the pecking order in Mr Lionel Jospin's cabinet, but Mr Dominique Strauss-Kahn will hold one of the most powerful positions in the new Socialist government.

In France, where protocol is not to be taken lightly, the super-ministry of economics, finance and industry has been ranked in sixth position, symbolically coming after those departments concerned with some of the left's top campaign priorities, including employment and justice.

But Mr Strauss-Kahn has four junior ministers reporting to him, more than any of his colleagues. Moreover, never before in the history of the Fifth Republic has the industry ministry been grafted on to the economics and finance ministry.

With a doctorate in economics and a degree from HEC, France's best-rated business school, Mr Strauss-Kahn, long allied with Mr Jospin, has already held ministerial office and was one of the co-authors of the Socialists' electoral economic programme.

He faces considerable challenges, notably in helping answer the question of whether France needs to continue with austerity measures if it is to meet the Maastricht criteria for monetary union; in determining whether the Socialists will definitely prevent further privatisations as they suggested during the election campaign; and discussing possible new taxes.

In line with recent tradition Mr Strauss-Kahn's budget minister is a close aide of the prime minister. Mr Christian Sautter is an economist and long-time ally of Mr Jospin.

In selecting the other three junior ministers under Mr Strauss-Kahn, Mr Jospin has taken no risks, appointing only one who is not in the Socialist party: Mr Jacques Dondoux, from the Radical Socialist party.

But one of the most important relationships for Mr Strauss-Kahn will be with that of Ms Martine Aubry, who has been appointed the top-ranking minister in government after Mr Jospin, in charge of another super-ministry to cover employment, solidarity, and social and urban affairs.

It is between her and Mr Strauss-Kahn that the debates may prove the most fierce, over the funding for fulfilling the Socialists' pledges to create 700,000 jobs – half in the public sector – and to move progressively towards a reduction from a 39 to a 35 hour week without any reduction in salary.

Andrew Jack

Deal to give full rights to part-time workers

By Robert Taylor, Employment Editor

European trade unions and employers are expected to sign an agreement today which will give part-time employees across the European Union the legal right to equal treatment with those in full-time jobs.

The deal will establish for the first time the principle of non-discrimination for part-time employees, both male and female. It will give equal access to pay, bonus, shift and other additional payments for comparable employees and will ensure equal contractual terms are provided for them in occupational sick leave schemes and paid holiday leave.

In addition, the deal, to be signed in The Hague, will enable part-time employees to get equal access to share options, staff discounts and occupational pensions.

The agreement will be presented to the EU Commission president, Mr Jacques Santer, today. Member governments will be expected to give it their approval in the autumn. It would then be adopted as a legally binding directive on all EU states and become law within two years.

The agreement is the second such deal reached between employers and trade unions in the EU, after one covering unpaid parental leave signed earlier this year.

The part-time agreement will apply to the UK once the new Labour government has signed the social chapter as it has promised to do.

The stated purpose of the deal is to remove discrimination against part-time workers, improve the quality of part-time work, and facilitate voluntary work on a part-time basis.

But the measure has been watered down under employer pressure to enable casual workers to be excluded "wholly or in part for objective reasons" from its provisions.

The part-time agreement will have a particular impact in the UK, ensuring 5.7m part-time employees will have an absolute right for the first time to equal contractual rights, staff benefits and discounts.

The Trades Union Congress has estimated 60 per cent of British part-timers are at present excluded from such rights.

Employers fearful over EU's changing colour

By Emma Tucker in Brussels

The presidents of Unice, the European employers' federation, will today make a heartfelt plea to EU leaders to preserve the balance between economic and social objectives when the Union's founding treaty is amended later this month.

Having watched with some alarm the changing colour of EU governments over the past month, they will stress that social initiatives must not be allowed to damage competitiveness.

The Unice leaders are meeting in The Hague 10 days before heads of state meet in Amsterdam to agree revisions to the treaty.

Following the election victories of the Labour party in Britain and the Socialist party in France, Mr Zygmunt Tyszkiewicz, Unice's secretary general, reckons that where recently he could count on 28 "pro-employer" votes in the Council of Ministers – enough to form a blocking minority – he is now down to eight.

News that the British government intends to promote liberal supply-side reforms in Europe has come as a relief. But Unice is taking no risks.

"We would be extremely anxious if there was any dilution of the notion that public service of a revenue generating nature should be open to competition," said Mr Tyszkiewicz. France wants a declaration included in the treaty calling for special consideration for the role of public services.

Further, the proposed employment chapter for the treaty contains what business leaders view as dubious references to employment "incentives".

On the other hand, the word "competitiveness" has found its way into the new draft treaty as a "task" for the EU. "We would have preferred it as an 'objective'," comments Mr Tyszkiewicz. "But at least it shows that somebody's heart was in the right place."

Another concern for some is the likely failure of the revised treaty to grant the Commission wholesale powers to negotiate trade agreements in areas such as intellectual property, public procurement and services. However, industry itself is split on whether trade matters should be left to the member states or transferred to Brussels.

TV battle may prove Irish poll decider

By John Murray Brown in Dublin

Ireland's 2.7m voters go to the polls today in what promises to be one of the closest general elections in years.

An opinion poll in yesterday's Irish Independant suggested the opposition Fianna Fáil party could win enough seats with the support of the small right-of-centre Progressive Democrats to form the next government. But with 14 per cent still undecided, much will depend on floating voters.

However, with some pollsters predicting a hung Dail, attention is also focused on the Greens and other independents who could hold the balance of power.

In a lacklustre campaign, the government has questioned the competence of Fianna Fáil, pointing to the breakdown of its last two attempts at cohabitation with the PDs in 1992 and with Labour in 1994, which resulted in the formation of the current "rainbow" coalition of Fine Gael, Labour and Democratic Left.

By contrast, Mr John Bruton, the Fine Gael prime minister, has made much of the harmonious record of his coalition, despite the apparent ideological differences.

For much of the campaign the Fianna Fáil leader, Mr Bertie Ahern, held the upper hand, setting the agenda on tax and crime but he failed to establish a substantial lead.

Mr Ahern appeared more comfortable on the campaign trail, where some party officials feared his earthy Dublin ways might alienate more conservative country voters. One Fine Gael minister even suggested the state broadcaster Radio Telefis Eireann was guilty of partisan coverage, for assigning its top correspondent to cover the Fianna Fáil leader's campaign.

But in what might be seen as the key turning point in the three-week campaign, Mr Bruton appeared to outscore Mr Ahern on Wednesday night in the only head to head television debate. The Irish Times, which has been far from uncritical of the prime minister, described it as "the best performance of his political life".

Even on Northern Ireland, where Fine Gael is seen to be too pro-British, Fianna Fáil failed to capitalise.

To Mr Ahern's claim that it was "the primary role" of an Irish prime minister to represent the interests of Northern nationalists, Mr Bruton retorted that "the unionists are Irish people and the Taoiseach [prime minister] has to look after them as Irish people. I believe the people in the Shankill are just as Irish as the people in the Falls Road."

With all the parties fighting over the centre ground, the campaign has provided a curious display of political cross-dressing. Mr Bruton, the prosperous County Meath farmer, has donned the ideological clothing of his left-leaning partners, while Mr Ahern has appeared to move rightwards – in an apparent bid to woo PDs transfers.

"If we have the money we should spend it," Mr Bruton intoned, as he elaborated his views on free education – although he attended a top private school.

Notwithstanding the fact that many Dublin public houses either had the sound turned down for the debate, or switched channels to watch the England-Italy football match, Fine Gael strategists are confident the prime minister has swayed sufficient numbers of undecideds in marginals, on which the result looks like turning.

"He was just being himself," said a clearly relieved Bruton loyalist.

The real question is whether the outgoing three-party coalition can muster enough transfers, with Fine Gael gains compensating for the losses expected from Labour.

Ironically, Fianna Fáil's fate could be decided by the performance of the PDs, who despite the personal standing of Ms Mary Harney, the party leader, look set to lose seats in Dublin and Limerick.

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EUROPEAN NEWS DIGEST

Fishing protest blocks Lisbon

More than 50 trawlers and other fishing vessels blockaded Lisbon's fishing port yesterday in protest against a government measure banning fishing beyond the 12 mile limit for 24 hours a week.

The Socialist government ordered the Sunday ban on fishing in the open seas to help restore dwindling fish stocks. But vessel owners say the measure is discriminatory and ineffective because the more powerful Spanish fleet, which fishes in the same waters, will not be affected.

The protest, organised by the vessels owners' union with the support of fishermen, prevented some cargo ships from leaving or entering Lisbon and was expected to spread. *Peter Wise, Lisbon*

Chemical groups in wage deal

Germany's big chemical companies yesterday welcomed a union agreement with the country's 600,000 chemical workers which could allow companies to cut wages by up to 10 per cent during economic downturns. They said the agreement was an important step towards introducing greater flexibility into the labour market.

The agreement between employers in one of Germany's most important industries and the IG Chemie union will allow struggling companies to ask for wage cuts in return for not laying off workers. It will also introduce greater freedom for workers' wages to rise more easily when companies' profits are increasing. "This is a very good solution that has been found. We have flexibility in both directions," said Hoechst.

The agreement was hailed by union negotiators as "a new era". *Graham Bowley, Frankfurt*

Spain confident over Emu

Spain is counting on going ahead with the launch of the European single currency at the beginning of 1999 despite uncertainty over the approach the new French Socialist government will take, according to Mr José María Aznar, the prime minister.

He said he had talked by telephone on Tuesday with Germany's Chancellor Helmut Kohl – the only other surviving leader of a centre-right government in the EU – and that they were both "absolutely decided" on sticking to the planned single-currency timetable.

Mr Aznar, who has pinned his government's credibility on the outcome of its bid to join the single currency, said a delay would not be "a disaster" but that Spain saw no advantage in it. He added that the "core" group of single-currency countries should be "as wide as possible" and repeated Spain's insistence on having its case considered separately from Italy's. *David White, Madric*

Hungary amends sell-off law

The Hungarian government plans to alter the level of state-held stakes in some 80 of the 193 companies considered vital to the national interest. In an amendment to the privatisation law accepted by the cabinet yesterday, the permanent public stake in 18 companies will be reduced to one golden share, which will ensure a government veto over strategic management decisions such as core business and company name.

Companies affected include Matav, the national telecoms company, OTP Bank, Hungaropharma, the pharmacy chain, salami producers Hertz and Pick Szeged, porcelain manufacturers Zsolnay and the engineering company Ganz Ansaldo.

The publicly-held stake will be increased in a number o other companies, chief of which is the state broadcasting monopoly Antenna Hungaria, in which the state will now hold a long-term 50 per cent stake, up from 25 per cent under the current law. *Kester Eddy, Budapes*

Backing for Swiss bank guard

Mr Newt Gingrich, speaker of the US House of Representatives, has endorsed special legislation to grant legal residency in the US for a young Swiss bank guard who tried to stop Nazi-era bank records from being shredded. Mr Christophe Meili, 29, told US legislators last month that he and his family had received threats since he exposed the order to shred Holocaust-era documents when he was a night security guard at the Union Bank of Switzerland.

"The heroic efforts of this young man deserve commendation, not prosecution, and I will do everything in my power to ensure that this legislation is quickly brought to the House floor and approved," said Mr Gingrich. He also called for an end to what he called "a thick veil of Swiss bank secrecy" surrounding the issue of unclaimed assets of Holocaust victims still in Swiss banks. *Reuter, Washingtor*

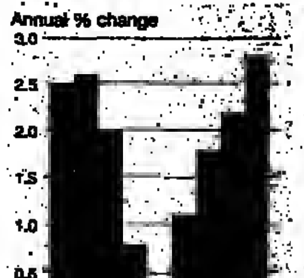
Daimler-Benz executive probe

A senior executive of Daimler-Benz, the German industrial group, is being investigated by state prosecutors for allegedly infringing rules on the disclosure of the company's earnings.

The investigation surrounds remarks made by Mr Eckhard Cordes, a member of the Daimler board, at the Geneva motor show in March. Mr Cordes announced estimates of company sales and profits before they had been officially released and his remarks caused a sharp rise in Daimler shares. *Graham Bowle*

ECONOMIC WATCH

Germans see modest recovery



Source: Datastream

Germany's economic recovery became significantly better entrenched in the first three months of this year, with gross domestic product 0.5 per cent higher than in the last quarter of 1996, official statistics showed yesterday. The federal statistical office figures provided some relief for Germany as it struggles to meet the deficit criteria this year for European economic and monetary union. However, many analysts regard the government's forecast of 2.5 per cent growth in 1997 as optimistic.

Modest economic growth is failing to have any impact on Germany's high unemployment. May labour market statistics today could show a rise in the seasonally adjusted total and a smaller than expected drop in the unadjusted total. The real economic growth rate of 1.4 per cent reported for the first three months of 1997 compared with a year before was lower than in the third and fourth quarters of 1996. But there were three fewer working days in the first quarter of 1997 than in the comparison period.

Bundesbank figures adjusted for calendar effects show a year-on-year growth rate of 2.8 per cent in the first quarter. Adding to the relatively upbeat picture was a 3.3 per cent increase in manufacturing orders between April and March, reported by the economics ministry in Bonn.

The federal statistical office said GDP in former eastern Germany was 2.8 per cent higher in the first quarter, compared with a year before. In the west it was 1.2 per cent higher. *Ralph Atkins, Bon*

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Ukraine parliament backs draft civil code

By Chrystia Freeland in Moscow

Ukraine's often recalcitrant parliament yesterday approved the country's draft civil code on the first reading, in a move which reformers said would create a legal foundation for the country's fledgling market economy.

"This is the most important step the parliament has taken since passing the constitution," Mr Serhii Holovatyi, minister of justice, said. "This is a big step in our progress towards market reforms and legal reforms."

Preliminary passage of the code comes at a time when Ukraine's shaky economic performance has become the target of criticism from foreign governments and financial institutions backing the young nation. The country's economy contracted by 10 per cent last year, and economists warn that it could shrink by another 8 per cent if the government does not alter its policies.

The civil code, which narrowly failed to be approved by parliament two weeks earlier, will be reviewed by a parliamentary commission during the summer and is due to return to the legislature for a second reading in October. Reformers were confident it would become law before the end of the year.

If passed, the code could become a significant force in stabilising Ukraine's business environment. Foreign businessmen complain that the country's inadequate and often contradictory legal system poses one of the biggest threats to investment. "This is a very, very important foundation of our new democracy in Ukraine," Mr Holovatyi said. "It has great significance for the economy."

Yesterday's preliminary approval of the code is also a breakthrough in the government's relationship with parliament.

The leftist-dominated legislature, which has not yet approved the 1997 budget, has emerged as a blocking force in government efforts to drag Ukraine out of its protracted economic depression. But, due to the lobbying efforts of the ministry of justice, the civil code sailed through parliament.

Parliamentary elections are scheduled for early next year, but law-makers involved in drafting the code predicted the current crop of MPs would be eager to pass the code before the spring vote because of its historic significance.

Preliminary approval of the code could also strengthen the hand of the small team of reformers within the Ukrainian cabinet. This young group enjoys the backing of Mr Leonid Kuchma, the president, but is at loggerheads with Mr Pavlo Lazarenko, the prime minister, whom many observers blame for the nation's economic stagnation.

The code is largely the achievement of Mr Holovatyi, who is closely allied with Ukraine's reformist economic ministers. His victory could enhance the authority of the entire team in Ukraine's shadowy and protracted struggle for political power.

Western lawyers said the civil code was a major step in Ukraine's efforts to replace its ungainly, Soviet-era laws with a western legal system appropriate for a capitalist economy.

Kiev power reform switched back on

International pressure is forcing government's hand

Electrical engineers are not known for their frivolity, but on March 15 Ukraine's electricity bosses were afloat in champagne, vodka and good cheer. They were celebrating the creation of a modern, western-style wholesale electricity market they hoped would help pull the country out of its post-Soviet doldrums.

For Ukraine, whose energy sector is famous only for the Chernobyl nuclear disaster a decade ago, establishment of a competitive market structure was no mean feat. Western economists hailed the system as the best in the former Soviet Union and visiting experts were astounded to find Kiev's national dispatch centre making some tariff calculations more quickly than their counterparts in Britain, which prides itself on having created one of the world's most effective and liberal electricity markets.

But, nearly three months on, Ukraine's model system has failed to live up to its promise of creating a more efficient market – and eventually offering cheaper power – to the country's enfeebled industry and its impoverished citizenry. Instead, the power sector is caught up in a crippling web of non-payments and the wholesale market has been corrupted by state intervention, often in the interests of government cronies.

"It's a travesty," said a western expert. "These guys had created a really effective free-market exchange; the arrangement worked beautifully. But then the government started to wilfully interfere. And it's all being done for the sake of relatively few people."

The bureaucratic meddling that has perverted an otherwise effective market reform is typical of the problems that have caused the Ukrainian economy to shrink by 10 per cent last year and could bring a further contraction of up to 8 per cent this year. Kiev's stumbling electricity reforms are also being closely watched by others in the region, particularly neighbouring Russia, which is about to embark on its own electricity overhaul.

The Ukrainian government's actions will come under particular scrutiny over the next month, as the World Bank decides whether to suspend a $317m loan granted to help develop the electricity market. Early last month it warned that Kiev was in violation of some of the covenants of the loan and is threatening to freeze the credits, which are a vital source of support for the energy-poor country of 51m.

According to Bank economists, who have worked closely with the Ukrainians in reforming the sector, Kiev's problem is that it has created the structure for a competitive market but failed to privatise the operators in that market, creating opportunities for continued government intervention and preventing true rivalry emerging.

"The Ukrainians are halfway there," said Mr Laszlo Lovei of the World Bank. "They have put in place the basic institutions and rules to operate a competitive market. But all of the actors on that market are state-owned and report to the ministry of power. State ownership makes them very vulnarable to government pressure to tolerate non-payment...and if you all have the same owner you cannot be truly competitive."

Ukraine's embattled economic reformers wholeheartedly agree. They argue that the government's failure to liberalise the market fully is part of a larger unwillingness to surrender state control over the economy. Not only has this reluctance thwarted economic recovery, but for a lucky few it has also translated into vast personal fortunes.

"Deregulation has not happened and without this there can be no growth," said Mr Victor Pynzenyk, who resigned as minister responsible for economic reforms earlier this year in frustration at the slow pace of change. "In many cases the cause is corruption, because the *apparatchiks* know what deregulation means for their personal lives. The big figures in the government are interested in preserving a monopoly in various markets, and one of the most profitable is electricity."

Over the past few weeks, however, the "big figures in government" have had their knuckles rapped, raising a hope that their grip on the economy may be giving way. President Leonid Kuchma and most of the cabinet were summoned to Washington earlier this month to be scolded for the country's poor economic performance. International financial institutions are starting to take a tougher line.

One of the fruits of this pressure has been a package of promises to open up the electricity market. According to Mr Ihor Mitiukov, Ukraine's reformist finance minister, the government has already passed a series of resolutions aimed at improving payment discipline within the sector. In an interview, he said Ukraine was also committed to beginning a sell-off of regional electricity companies.

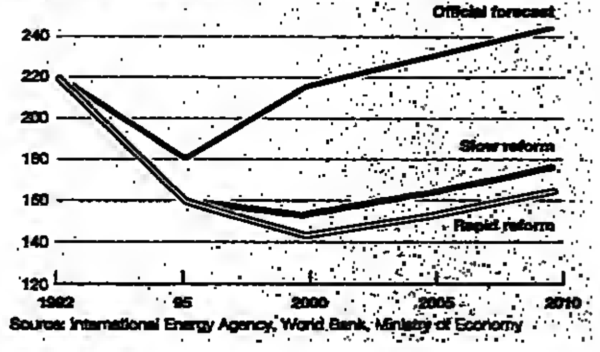
If these reforms are pushed through, the prospects for Ukraine's electricity sector are relatively bright. The complicated structural reforms are already in place – indeed, Ukraine is so advanced in this area that its electricity experts are now advising Russia. Western investors, who made a windfall on Russian electricity companies last year, are already sniffing around.

All the government needs to do is let go. But that, at least in Kiev, seems to be the hardest reform of all.

Chrystia Freeland

Ukraine: energy demand

Reforming the sector saves energy, even as the economy grows
(Million tons oil equivalent)



Source: International Energy Agency, World Bank, Ministry of Economy

Kremlin shrugs off attacks on privatisation

By Chrystia Freeland in Moscow

Russia's Communist-dominated parliament yesterday lambasted the government's privatisation programme, calling it a breeding ground for corruption and blaming it for deep economic decline.

Deputies overwhelmingly backed a resolution condemning the privatisation process, which some reformers in the government view as the Kremlin's most impressive achievement.

Nevertheless, Mr Alfred Kokh, deputy prime minister and head of the State Privatisation Committee, reacted mildly, predicting the government and legislature would reach a compromise over the next stage of privatisation. "Emotional confrontation is giving way to substantive dialogue," he said later.

His calm response to a day of vituperative attacks on the government is a measure of the extent to which the parliament is being sidelined as an independent force. With the return of President Boris Yeltsin to active politics this year, the Kremlin has pushed ahead with its chosen policies, with little concern for parliament.

On some issues, such as Nato expansion, this forceful attitude appears to have produced a near total climbdown by Russia's weak legislators. On others, such as the mini-budget the government is trying to push through, deputies have not given in, but the Kremlin has vowed to carry on even so.

But, while they are unlikely to have much immediate political effect, yesterday's events were a revealing gauge of public attitudes to the state sell-offs which are underpinning the country's new economy.

Bruce Clark adds from Washington: The World Bank board was yesterday considering a package of credits to Russia worth nearly $900m. The package, combined with an $800m loan for social sector support to be considered later this month, signals a new policy towards Moscow by the development bank, in which larger sums will be lent for broader purposes.

Most World Bank lending to Russia so far has been for specific projects. But Mr James Wolfensohn, the bank's president, said in April it was prepared to lend more than $6bn to Russia over two years, partly to ease social problems such as unpaid wages, and inadequate housing and medicine.

Czechs put two banks up for sale

By Vincent Boland in Prague

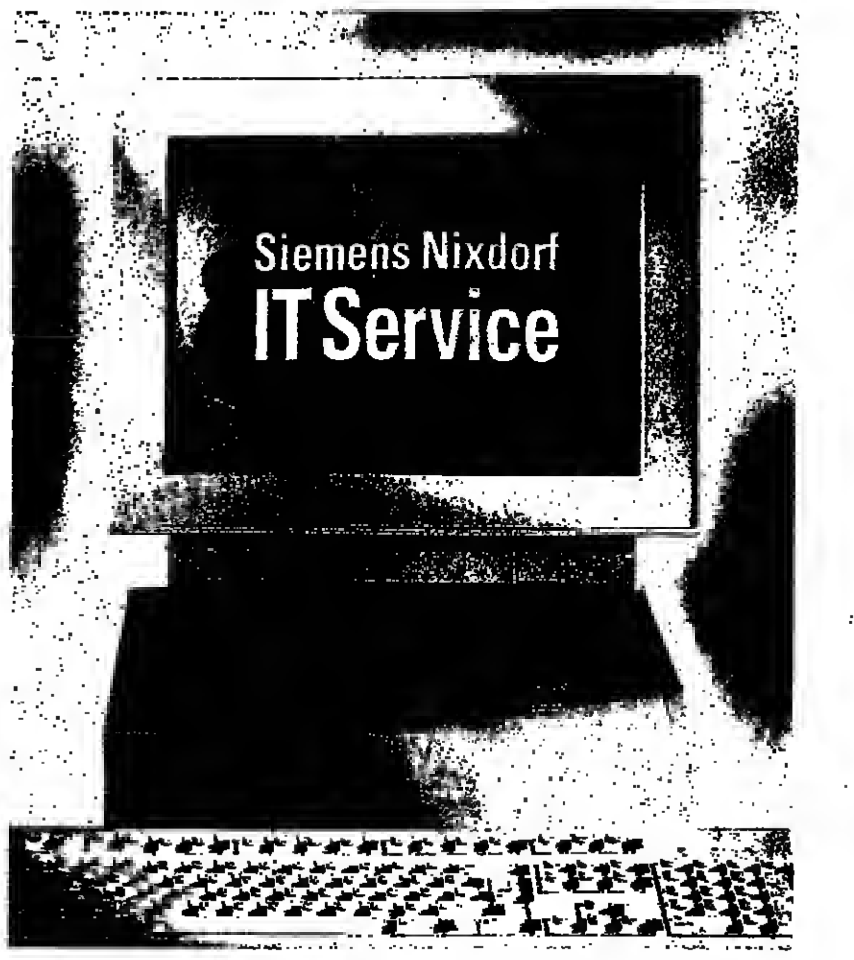
Two of the Czech Republic's big state controlled banks are to be offered for sale later this year under a proposal submitted yesterday by the *finance ministry* as it steps up privatisation of the banking sector.

The move meets a pledge by Mr Václav Klaus, the prime minister, two months ago that there would be a renewed commitment to tackling outstanding sell-offs, which have been in limbo since last year's inconclusive general election. The ministry's plans call for the sale of the state's stake of just under 49 per cent in Komercni Banka, and Ceskoslovenska Obchodni Banka. CSOB is wholly owned by Czech and Slovak state institutions; a fact that could complicate the sell-off timetable.

A "strong strategic investor" will be sought for each bank while raising the "maximum revenue" from the sales. Komercni, believed to be the biggest bank in eastern Europe, had total assets of $13.5bn at March 31. At yesterday's closing price the stake was worth $558m. CSOB has assets of about $7bn.

However, the Czech National Bank has not yet abandoned its own tentative plan to merge CSOB and Ceska Sporitelna, a state-controlled savings bank, before any sell-off. A spokesman said yesterday that, while the central bank supported the "main principles" of the ministry's proposal, it "would not like to cancel this [merger] idea and explore the benefits that might arise from it".

Analysts yesterday welcomed the ministry's proposal, saying it was a recognition that ending state involvement in the sector was essential to overcoming the structural problems created by the government's vouchers-for-shares privatisation programme of the early 1990s.



Shareholders sue Korean bad loan bank

Negligence claimed over lending to failed Hanbo steel group

By John Burton in Seoul

Four former executives of Korea First Bank have been sued for negligence in what is believed to be South Korea's first shareholder lawsuit.

The lawsuit concerned $1.2bn in loans that Korea First had extended to the Hanbo steel group, which went bankrupt in January under nearly $6bn in debts.

Two former presidents of the bank, who were mentioned in the lawsuit, were convicted this week for accepting bribes from Hanbo in return for the loans.

As the main creditor for Hanbo and Sammi – another steel group that went bankrupt recently – Korea First is expected to report losses of $300m in 1997, according to SBC Warburg Securities in Seoul.

Analysts predict that the bank, which was one of Korea's most profitable a few years ago, will continue to suffer losses for several years because of problem loans to steel and construction companies that went bankrupt.

A group of minority shareholders, representing a 0.5 per cent stake in Korea First, filed the lawsuit with the aid of a civic organisation. The lawsuit demands that the former bank executives pay an indemnity of $11m to Korea First over the Hanbo loans. "We just want bank management, who ignored minority shareholders and domineered the business operation, to accept their responsibilities," said Mr Lee Seung-hee, who arranged the suit on behalf of the People's Solidarity for Participatory Democracy.

Korea First said the suit was premature as the bank might recover the loans if Hanbo was sold to another investor. The bank claims that most of the Hanbo loans are collateralised by the steelmaker's assets.

Recent changes in securities regulations made the lawsuit possible after the threshold for collective action by minority shareholders was lowered to 0.5 per cent from 5 per cent.

The shareholders alleged the four executives played a leading role in the bank's decision to extend the loans without proper credit analysis.

Korea First officials said they felt secure in providing the loans to Hanbo because the steelmaker enjoyed the support of the state-run Korea Development Bank, which is involved in government-approved industrial projects.

The Hanbo founder was convicted this week of bribing officials to gain government financial support for a project to build Korea's second biggest steel mill, which eventually led to the group's collapse.

To cope with its bad debts and correct an image of lax management, Korea First recently announced a restructuring of its operations, including cutting the number of employees through an early retirement programme and closing unprofitable branches.

It also plans to sell property assets and subsidiaries, including its securities, leasing and savings businesses.

Malnutrition has caused the hair of this small boy at a government nursery in Tongchon to thin *Unicef*

Concerns grow that last distribution centre stocks may run out by June 20

UN steps up N Korea food aid plea

By Peter Montagnon, Asia Editor, in London

United Nations relief agencies yesterday stepped up their campaign to generate assistance for North Korea amid signs that the country's food shortage is becoming critical.

Their new warnings came as a North Korean patrol vessel fired on three South Korean navy ships after it crossed the demarcation line between the two Koreas off the peninsula's west coast.

The incident underlined fears that North Korea might launch an attack on South Korea in a desperate attempt to rally the country in the face of the growing food shortage. But the government in Seoul took the incident calmly, saying simply that it would raise it with Pyongyang through the military armistice commission.

In New York Ms Catherine Bertini, director of the Rome-based UN World Food Programme, said Pyongyang's last government distribution centres would run out of food on June 20. The safety net, which has provided North Koreans with around 100 grammes of rice a day, would then collapse.

Mr Peter McDermott, a Unicef official just returned from Pyongyang, said in London that a serious shortage of medicines had also developed which was hampering efforts to treat illness stemming from malnutrition, including diarrhoea, pneumonia and other respiratory diseases.

Mr McDermott disputed suggestions in South Korea that the government in Pyonyang has been exaggerating the problem. He said he had visited an orphanage near Wonton, in Kangwon province, where 60 out of 270 children had died over the past year.

But aid agencies badly need more information to discover how widespread the problem is.

The government had agreed to allow a nationwide nutritional study to be undertaken this summer which should yield quantifiable data, Mr McDermott said.

He said that the government in Pyongyang still appeared to be firmly in control of the North Korean population, though it had relaxed restrictions on individual mobility and was turning a blind eye to individual efforts to barter goods for food.

HK's anti-graft chief stakes out territory

Lily Yam is determined to keep 'independent' in the title of the commission she heads

Lily Yam is a tough woman in a tough post. That much was clear this week when, as the new head of Hong Kong's Independent Commission Against Corruption, she insisted the territory's graft-busters should retain the "independent" in the title.

The Basic Law, China's constitution for post-handover Hong Kong, speaks only of a Commission Against Corruption. Removing the word, she argued, was not a cosmetic change.

"It has far-reaching consequences. It is an essential word," she said. Mr Tung Cbee-hws, the territory's future leader and a stickler for the letter of the Basic Law, took note. This week he signalled the name would stay unchanged.

A day later, agents from the ICAC swooped on the Hong Kong Standard, the English-language daily newspaper published by Sing Tao Holdings, one of the territory's biggest media groups. The raid and six arrests signalled "business as usual" for the commission as Hong Kong approaches its return to China at the end of the month.

That business is crucial to a successful transition. "If you ask people what their biggest worries are, corruption is likely to be mentioned," Ms Yam said in an interview. Surveys by the transition project at Baptist University consistently place corruption at the top of public concerns.

These fears are based on the risk that corruption will cross the border along with the transfer of sovereignty. Mr Michael De Golyer, head of the Baptist University project, said they had been fuelled by the imminent replacement of the elected legislature and concerns that accountability and transparency could be eroded under the new administration.

According to Ms Yam, after a sharp rise in 1993 the number of corruption reports have stabilised at about 3,000 per year. Behind the headline figure she saw cause for encouragement, pointing to a substantial fall in corruption in the public sector. There had also been a steady rise in the number of complainants prepared to identify themselves, she said. In the 1970s, when Ms Yam first joined the ICAC, only 30 per cent were prepared to do so. Now the proportion was 70 per cent. "That is a sign of confidence in the ICAC," said Ms Yam.

Less encouraging is the rise in private sector cases, a rise in corruption reports in the first quarter of this year, and the risk of increased cross-border corruption ranging from smuggling to illegal immigration. According to Ms Yam, the cross-border problem is less serious than might be imagined. Only 25 of the 719 corruption reports in the first quarter concerned such cases. "But this is an area we are watching very closely indeed."

To reduce the threat, co-operation has been stepped up with authorities in neighbouring Guangdong province. The head of the prevention division has recently travelled to Guangdong, and mainland officials have come to Hong Kong to take part in "command courses" for investigators. If the ICAC needs to track down a witness in China, then the Guangdong authorities act as a point of contact.

Apart from increased co-operation with China, everything else would remain constant, said Ms Yam. The three strategic arms of punishment, prevention and education would stay intact.

She rejected claims that the judiciary would become less independent, which could undermine her power to prosecute. Nor, she said, would anyone be off-limits. "Will I avoid an investigation into particular personalities?" she asked. "My answer is that under the law my duty is to investigate all reports of corruption. I have no discretion."

She listed a series of safeguards to the system, including the operations review committee, which meets every six weeks and which must approve the ending of every investigation.

The transfer of sovereignty will be a test of that system and of Ms Yam's mettle. She will, however, find time to go to Peru for an international anti-corruption conference. "I joked that if the renegades wanted a hostage I would be a good target – I look Japanese, and I am rather small," she said. Those renegades might want to think twice.

John Ridding and Peter Montagnon

1992	93	94	95	96	96 Jan-Apr	97 Jan-Apr	
337	647	323	443	393	103	96	Charges
169	65	104	107	61	14	18	Cautions
249	549	287	279	296	68	72	Convictions
[illegible]	103	148	149	223	38	89	Gov't servants recommended for disciplinary action

Source: ICAC

Lily Yam Picture by Marcus Oleniuk

China names its man in Hong Kong

By John Ridding in Hong Kong and Tony Walker in Beijing

China yesterday announced the appointment of Mr Ma Yuzhen, a former ambassador to Britain, as head of its foreign affairs office in Hong Kong and its top civilian official in the territory after it returns to Chinese sovereignty on July 1.

Mr Ma's appointment came as a surprise to many in Hong Kong, who had expected Mr Jiang Enzhu, his successor as ambassador to Britain, would take up the post. Mr Ma will join General Liu Zhenwu, head of the People's Liberation Army garrison in Hong Kong, along with the head of the Hong Kong and Macao Affairs Office and the director of the New China News Agency as Beijing's most influential representatives in the territory.

A spokesman for the foreign ministry in Beijing said the new office would be in accordance with the Basic Law, China's constitution for post-colonial Hong Kong. This says Hong Kong will be granted a high degree of autonomy, but China will be responsible for the territory's defence and foreign affairs.

Diplomats in Hong Kong described Mr Ma as affable and formidable, "one of the new breed of Chinese diplomats," one western counterpart said. Mr Ma, 62, gained a reputation as a skilful negotiator while ambassador in London between 1991 and 1995. This period included Sino-British disputes over Hong Kong's new airport and political reforms introduced by Mr Chris Patten, Hong Kong's governor.

Mr Ma's most recent task was director of the information office of the State Council, or cabinet, a position which gave him vice-minister status and placed him close to China's leadership, including Premier Li Peng. It seems likely his cabinet office post provided a springboard for his promotion.

Indications that Mr Ma was destined for higher office came last month when it emerged he was attending a Communist party school for senior cadres. Before his posting in Britain, Mr Ma was China's consul-general in Los Angeles. He also held diplomatic posts in Ghana and Burma.

The Hong Kong government welcomed the news. "The community will be glad the appointment of Mr Ma has been announced," a statement said. "Hong Kong people will no doubt be interested to hear more details of the establishment of this new office, including the size of its staff and its functions".

● China has released Bao Ge, a Shanghai dissident, held without trial for three years. News of his release came a day after the eighth anniversary of the June 4 massacre of pro-democracy activists in central Beijing's Tiananmen Square.

Mr Bao's family said he had been released on Wednesday, but had been warned not to talk about it. Phone lines to his family home have been cut. Mr Bao, 33, was sentenced in September, 1994 to three years' "re-education through labour" for his human rights views. He is well known as a campaigner for compensation for Chinese victims of Japanese wartime atrocities.

Observer, Page 17

ASIA-PACIFIC NEWS DIGEST

Vietnam growth slows sharply

Vietnam's economy is slowing sharply after three years' rapid expansion, and the government's growth target of 9 per cent this year is likely to be missed by a wide mark, economists and bankers said yesterday. Record low inflation, a slowdown in imports and stockpiles of steel and cement were partly to blame. A virtual freeze in lending by local and foreign banks, prompted by a recent spate of loan defaults and corruption scandals, was stifling manufacturing, they added.

"It's paralysing the activities of the state-owned companies because they're no longer reliable in the eyes of the banks," Mr Jacques Chevaillot, senior Vietnam representative for Société Générale, said. Vietnam achieved a record low inflation rate of 1 per cent in the first five months of this year, the lowest since reforms were launched over a decade ago.

Mr Nguyen Sinh Hung, finance minister, conceded domestic demand had slackened "because of weak rice prices". But he stuck to the official 9 per cent target for gross domestic product growth. A more realistic figure would be 6-7 per cent, Mr Jean-Lnc Berlasconi, economist at the United Nations Development Programme, said. *Jeremy Grant, Hanoi*

Top Japanese banker arrested

A board director of Dai-Ichi Kangyo Bank, one of Japan's largest commercial lenders, was yesterday arrested on suspicion of making illicit payments to a corporate extortionist, in a widening of the latest financial scandal. Mr Tatsuo Shibuya, head of the bank's general affairs department, which handles shareholders' meetings, was arrested with three other DKB executives. They are among the first bankers to have been held on suspicion of dealing with so-called *sokaiya* gangsters, who demand cash in exchange for undertaking not to cause trouble at annual shareholders' meetings.

The DKB executives are believed to have made payments of up to Y11.7m ($100,000) over two years from 1994 to the same gangster-linked property dealer at the heart of the scandal surround Nomura Securities, the country's largest stockbroker. Mr Hideo Sakamaki, Nomura's former president, was arrested last week. *William Dawkins, Tokyo*

Householder spending declines

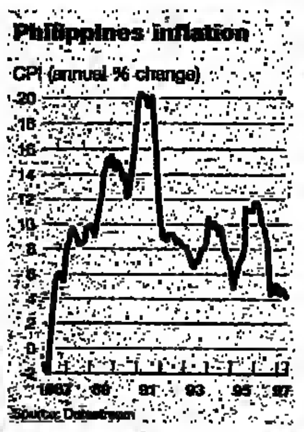
Japanese household spending dipped slightly in April, the widely forecast consequence of a rise in sales tax from 3 per cent to 5 per cent at the beginning of the month. In real terms, household spending fell by 1 per cent by comparison with the same month last year to an average of Y343,345 ($2,930) per household, the government's management and co-ordination agency announced. In nominal terms, without adjusting for inflation, spending rose by 0.9 per cent on the same basis. This was a strong result and showed that the economic recovery was on track, said Mr Richard Werner, chief economist at Jardine Fleming Securities in Tokyo. *William Dawkins*

Anwar sacks senior official

Malaysia's recently launched drive against corruption yesterday claimed its highest-ranking government official yet. Ms Siti Zainah Ahu Bakar, deputy primary industries minister, was dismissed by Mr Anwar Ibrahim, Malaysia's acting prime minister, in connection with M$1.8m (US$716,000) which went missing when she was treasurer of the women's wing of the dominant political party, the United Malays National Organisation.

In a separate development, Mr Lim Keng Yaik, primary industries minister, retracted a statement that M$600m was missing from a fund for the planting of rubber trees. The retraction came after a cabinet meeting at which Mr Anwar had demanded an explanation. He blamed what he called misreporting of his comments by the media. *James Kynge, Kuala Lumpur*

Philippine inflation slows



Source: Datastream

The Philippine inflation rate hit a 10-year low and first quarter exports registered strong growth yesterday, prompting the central bank to cut overnight borrowing and lending rates by 2 percentage points. The inflation rate last month was 4.2 per cent, the lowest level in a decade, as food, beverages and tobacco, which together represent 59 per cent of the index, recorded a monthly decline of 0.6 per cent and a small rise of 1.2 per cent year-on-year. The government should now meet its inflation target of [illegible] per cent for 1997, recently revised down from 6.5 per cent. W.I. Carr, the stockbroker, yesterday downgraded its full-year forecast from 7.1 to 6.9 per cent.

The National Statistics Office also reported that first quarter exports rose by 23 per cent to $7.6bn, up from $6.2bn a year ago, with electronics and components still the top item at $913m. The garments industry was a distant second but reversed a recent trend of decline with a 6 per cent improvement to $167m. The US and Japan remained the main markets, accounting for 34 per cent and 16 per cent of total receipts. *Justin Marozzi, Manila*

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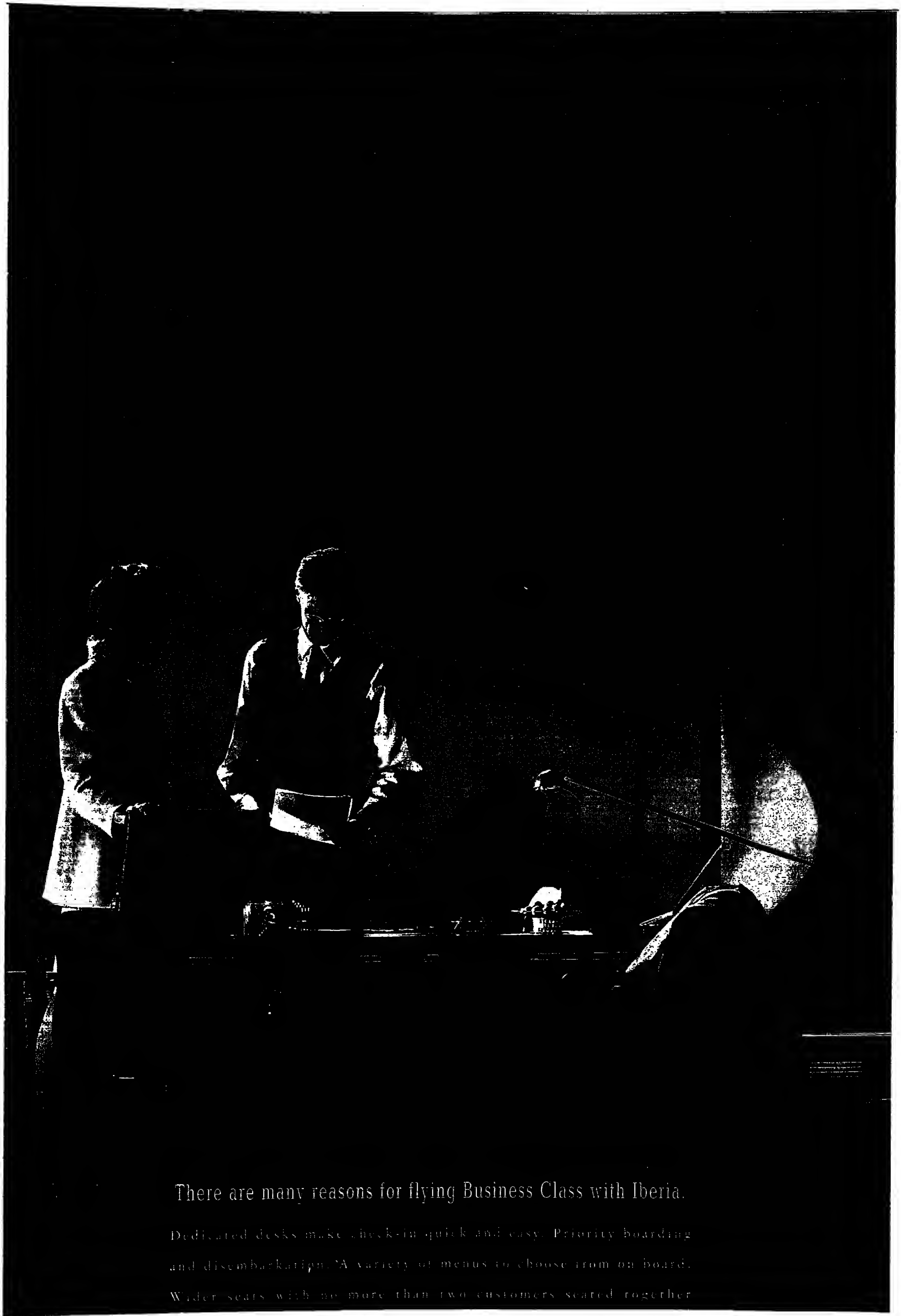

Royalties collectors want European network

By Alice Rawsthorn

The UK and Dutch societies responsible for collecting royalties on behalf of composers, publishers and performers of music are formulating plans to establish a pan-European network.

Senior executives from the Performing Rights Society (PRS) and the Mechanical Copyright Protection Society (MCPS), which represent the UK's music publishers and composers, and Stemra and Buma, their Dutch counterparts, are discussing the feasibility of launching such a network at a meeting in Amsterdam today.

The four societies recently agreed to join forces by forming an operational alliance. They hope to thrash out final details of their alliance at the meeting, and to map out a strategy for extending it to other European countries. The proposals come at a turbulent time for Europe's collection societies, when collection deals for several large music publishers – including Warner Chappell, EMI and Sony – are coming up for renewal.

Regarded as one of the more intricate and obscure areas of the music industry, the collection sector has traditionally been fragmented, with different societies taking responsibility for various aspects of the music business in each country.

In the UK, for instance, the PRS has collected royalties for composers or publishers when their work was performed or broadcast, while the MCPS has collected them if the music was recorded or sold as a recording. Buma has fulfilled the PRS's role in the Netherlands, and Stemra that of MCPS.

Record companies and artistes have complained that such arrangements were unwieldy, and criticised the collection societies for having unjustifiably high overheads and taking too long to distribute royalties.

Buma and Stemra responded by forming an operational alliance, whereby they remain independent but pool resources when necessary and are run by the same management body. PRS and MCPS are in the final stage of implementing a similar accord in the UK.

The four societies have agreed in principle to form an Ango-Dutch alliance, and at today's meeting will decide how to bring in other national collection societies.

Mr John Hutchinson, chief executive of PRS and MCPS, said the national alliances had already promised to "reduce costs and speed up payment", and that the formation of a pan-European network should accelerate that process.

Cost and speed were key considerations for PolyGram last year when it became the first of Europe's large music publishers to renegotiate its collection deal. PolyGram clinched an accord with MCPS, which triggered a bitter row with rival European societies.

Moral crusaders attack China's trade status

By Patti Waldmeir in Washington

"How would it feel to have your menstrual period tracked on a chart where you work, to ensure you do not become pregnant without permission? How would it feel to be pinned to a table while doctors inject formaldehyde into your baby's brain to cause her death?"

This is trade lobbying taken to new heights. With the above mailing to members, the Family Research Council, a US Christian conservative lobby group, launched its crusade against White House plans to renew Most Favoured Nation (MFN) trading status for China.

The mailing exhorts members to pray for higher tariffs, as a means to moral ends. Mr Gary Bauer, the council's president, has brought his crusade – against forced abortions, religious persecution, and "slave" labour in Chinese prisons – to millions of conservative listeners through the nationwide network of rightwing talk radio. (The American television networks have refused to air the Council's adverts; Mr Bauer blames the large corporations which control them, and have interests in China.)

This week, on the anniversary of the Tiananmen Square massacre, the council showed journalists film footage of clandestine baptisms and illegal "house church" meetings spirited out of China by American missionaries. They also told of their own attempts to influence trade with China, by smuggling bibles to Beijing.

Chinese Catholics persecuted for their faith told stories of hiding communion wafers behind portraits of Mao, in Chinese prisons. Academics testified that religious persecution was worse than at any time since the Cultural Revolution.

In a country founded in flight from the persecution of the faith, this was powerful stuff. Mr Bauer speaks to the missionary element in the American soul – to the moral passions choked off by the demise of the Evil Empire and the end of the Cold War. He probably also speaks to an amorphous American fear of a giant "yellow peril" of the future.

He has been joined by an unlikely alliance of MFN opponents, from the House minority leader, Mr Dick Gephardt – who recently denounced the Clinton administration for what he called "constructive engagement with slave labour" – to the big union federation, the AFL-CIO.

Populists in both the Democratic and the Republican party have found a cause which unites them: fighting MFN, either on human rights, or economic grounds. The unions fear cheap Chinese labour will undermine US jobs, religious conservatives abhor the one-child policy and church repression, and Mr Gephardt sees fertile ground for his campaign for the Democratic presidential nomination in 2000.

They dismiss the Administration's contention that opening up trade will stimulate both American and Chinese jobs, and Chinese freedoms. "Trickle-down has not worked in economics and it will not work in human rights," says Mr Gephardt. He argues that a foreign policy based on "engagement" with China violates not only American values, but US national interests.

This extraordinary left-right coalition against China is unlikely to achieve its stated goal: to deny Beijing the trading status accorded by Washington to most other nations apart from rogue states such as Iraq or Libya. Opponents may be able to vote MFN down in Congress, but the president would simply veto the move. And MFN's opponents are unlikely to muster a veto override.

But even a vote against MFN could seriously damage what could be America's most important bilateral relationship of the 21st century.

Nafta accord has failed to counter environmental destruction on the border

Hazardous trades bring pollution and health fears down Mexico way

NAFTA

There is a street called Chemical Row in Matamoros, the shabby Mexican town across the border from Brownsville, Texas, which is lined with some of the most hazardous industries known to man.

A long, corrugated-iron shack, now rusting with neglect, was once a lead smelter owned by Asarco, the US metals group. Behind it is a pesticide plant owned by a company based in Illinois. Further down the row, subsidiaries of US multinationals produce fertilisers, wood hardeners, and more insecticides.

These and other *maquiladoras*, Mexico's tax-exempt manufacturing plants, were sued in 1992 by a group of Brownsville families whose children were still-born with the rare condition known as anencephaly: deformed skulls with no brain.

The families blamed airborne pollution from Matamoros factories and, in an out-of-court settlement last year, they accepted compensation believed to have been in the region of $25m.

At the end of Chemical Row, looming over the flat landscape of the Rio Grande valley, is Quimica Fluor, a joint venture between E I Du Pont de Nemours and Mr Carlos Slim, Mexico's telecommunications magnate, which makes sulphuric and hydrofluoric acid.

Quimica Fluor and Asarco have become the subject of a new legal battle in the US, this time brought by Mexican families whose children were born with deformities. For many years Quimica Fluor compensated neighbouring sorghum farmers for their withered crops, but the payments stopped in 1988, when a government decree created an "indemnity buffer zone" around the plant. The farmers, however, continue to live and work on heavily contaminated ground.

The North American Free Trade Agreement, which Mexico joined in January 1994, was meant to address the environmental degradation of the 2,000-mile Mexico-US border. Nafta's proponents argued that lower tariffs would eliminate the tax advantages of the border *maquiladora* industry and promote industrialisation further inland.

Mexican industry: pollution problems have affected both sides of the frontier Panos Pictures

On July 1 the Clinton administration presents its report on Nafta's first three years amid fierce debate between the champions of free trade and those who fear US jobs are being lost to Mexico's low wage, low pollution-control economy. In a series of articles we analyse the issues.

However, industrial growth on the Mexican side of the border has, if anything, accelerated. Devaluation of the peso in December 1994 lowered manufacturing wages in Mexico to a tenth of those in the US, further encouraging US companies to relocate their assembly operations. Since then *maquiladora* employment on the border has surged by 50 per cent to almost 665,000. Shanty towns have sprouted around hastily built industrial parks, water is scarce, and drainage and sewerage are non-existent.

Although US companies will not admit it, another reason for locating in Mexico is the weak enforcement of environmental laws. Matamoros, with more than 100 *maquiladoras*, has only three government health and safety inspectors, who normally give advance warning of factory visits. Air quality and industrial effluents are tested only once a year.

The unfettered growth along the border and the perceived loss of US jobs to Mexico's *maquiladoras* have alarmed US congressmen and environmental groups.

Senator Richard Gephardt, who visited the border earlier this year, wrote to fellow Democrats, saying: "We saw 21st century technology combined with 19th century living and working conditions.

"We drove by industrial parks where companies continue to dump their toxic wastes at night into rivers. We saw furniture plants using highly toxic solvents and finishes that once operated in California and throughout the US, and which had moved to Mexico because of lax environmental enforcement."

Last month a group of women from the Philips Electronics Airpax plant in Matamoros gathered at a church hall to discuss their health concerns following the death of one of their colleagues, Mrs Ana Maria Sánchez, who was 38.

The company, which ordered the autopsy, told employees she had died of a heart attack, but doubts remain.

"The women assemble electronic components with soldering wire which contains lead, and lead fumes are a known cause of brain haemorrhages," says Mr Domingo González, an environmental activist with the Texas Centre for Policy Studies.

One after another the women at the meeting rose to complain of severe headaches, high blood pressure and eye infections. The stench at the plant was sometimes unbearable, they said. They suspected that air extractors were not working properly, but their complaints had gone unheeded.

Mr Tarex Haidar, Airpax's general manager in Matamoros, expressed surprise when told of his employees' concerns. Air filters were checked on a weekly basis, he said, and protective masks were available on request. "We have never had a known case of lead poisoning, and we employ a doctor on site to attend to any medical problems the women may have."

Following increased scrutiny by US environmental groups and the growing threat of litigation, some *maquiladoras* have installed water treatment plants and better air filtering systems. But these remain the exception among the 2,000 on the border.

The US Environmental Protection Agency has also launched a computerised tracking system to monitor hazardous materials employed by US-owned *maquiladoras*, which by law must be transported back to the US for proper disposal.

"Before 'Haztraks', we didn't have a clue about who was generating toxic waste, how much of it existed, or where it was going," says Mr Joseph Schultes of the EPA in Dallas. "Now we can correlate shipments from the cradle to the grave."

The border's soaring health and environmental problems, however, appear to have overwhelmed authorities in both countries.

An $8bn border clean-up plan, promised by President Bill Clinton in 1993 to win over environmentalists to the Nafta cause, has been slow to materialise.

Two binational entities set up to promote border infrastructure development – the Border Environment Co-operation Commission and the North American Development Bank – have experienced teething problems. To date Nadbank has approved financing for only four small projects.

Mexico's commitment to the joint programme, meanwhile, has dwindled with its economic crisis. Investment in basic sanitation fell from $235m in 1994 to $24m in 1995 and $55m last year, according to environment ministry estimates.

Former Nafta supporters such as Sen Gephardt believe the treaty "simply isn't working". The clean-up of the border has not occurred. The health of border residents has deteriorated. Nafta does not have the power to oblige Mexico to enforce its environmental laws. But the southward migration of US manufacturing plants continues apace.

Leslie Crawford

WORLD TRADE NEWS DIGEST

EU's legal line on Boeing tie

The European Commission will consider the merger between Boeing and McDonnell Douglas on the legal merits of the case, with no consideration of the broader implications for US-EU trade relations, a senior EU official said yesterday. There have been fears of a bitter transatlantic dispute if the EU declares the merger illegal and the US Federal Trade Commission clears it. Mr Alexander Schaub, who heads the EU's competition directorate, said Brussels would "scrutinise this merger under strictly legal terms" and added: "We are not prepared to politicise (the case) or take account of trade considerations within the framework of merger review." He insisted that the Commission's review of the merger did not amount to an "extraterritorial" application of the EU competition laws. *Bruce Clark, Washington*

Australia unveils tariff plan

Australia's federal government said yesterday it would freeze tariffs on imported cars at 15 per cent in the year 2000, and hold that level for five years. The tariff would then drop to 10 per cent, with a further review to decide what regime should apply after that. The decision is a victory for the four carmakers – Ford, Holden, Mitsubishi and Toyota – which claimed the industry might no longer be viable if tariffs continued to fall beyond 2000.

The tariff is 22.5 per cent now, but is due to drop steadily until the end of the decade. It has already fallen from 57.5 per cent a decade ago, allowing imported models to take more of the Australian market. Imports now account for more than 50 per cent of car sales.

The local motor industry had argued that if domestic car production wound down, the component industry could also find itself in an unsustainable position. The Australian car market is small in global terms and has shown little growth in recent years. Mr John Howard, prime minister, denied he had "caved in" to the industry in the new conservative coalition's first major decision on a "free trade" issue. The decision is still compatible with Australia's commitment under the "free-trade" agreement of the Asia-Pacific Economic Co-operation (Apec) forum. This requires industrial countries in the region to move to free trade by 2010. *Nikki Tait, Sydney*

US warns on financial services

US trade officials said yesterday they were encouraged by World Trade Organisation talks this week on liberalising financial services, but warned that a successful conclusion depended on good market-opening offers from developing countries.

Washington refused to join an international financial services pact in July 1995 because offers from these countries were judged inadequate for the US to open its own banking, insurance and securities markets to all comers, as WTO rules require. "For this negotiation to be successful we need to see significantly improved offers... specifically from the key emerging markets in Latin America and Asia," a US official said. The 50-plus nations taking part in the talks have spent this week exchanging market-opening requests. Offers are due by July 14. The leading trading nations – the US, European Union, Japan and Canada – have pledged to have offers in by then but some developing countries say they will not make offers until September. *Frances Williams, Geneva*

Building groups' tracks merge

Desquenne et Giral of France and Amey, the UK construction group, are to work together to pursue work in the growing international market for rail-track laying.

Desquenne is the lead contractor in a joint venture renewing about 210km of track a year for SNCF, the French state railway. Amey is heavily involved in building and operating privately financed infrastructure projects in the UK. Last year it bought the former maintenance unit of British Rail's western region. *Andrew Taylor, Construction Correspondent*

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When bankers' hearts beat a little faster

Report points to how global financial services could regulate themselves, writes **George Graham**

There are too many committees in the financial world for the announcement of the birth of yet another to set many pulses racing.

Yet some of the international community's most senior bankers and financial regulators felt their hearts beat faster this week.

The reason for the flurry was the first public airing of a proposal from the Group of 30, a Washington-based think tank grouping banks, academics and government officials, for the creation of a new steering committee to set standards for the way global financial institutions run themselves.

They believe the G30 report, to be published in the next few weeks, could be the germ of a significant step forward in the way the increasingly global financial services industry is regulated.

"What we need is a realistic way of reconciling the mismatch between globally active groups and markets, and nationally based supervision," said Sir Andrew Large, chairman of the Securities and Investments Board, the UK's senior securities regulator, which will soon also be responsible for banking supervision.


Sir Andrew Large: 'We need to reconcile the mismatch'

"If these international groups can articulate globally recognised standards that the industry can live up to and the supervisors regard as acceptable for them to discharge their national responsibilities – if you can devise that, you have the beginnings of a system that actually works for them."

The problem seen by the G30 is clear enough. A select band of large financial groups, perhaps as many as 65, now operates in markets around the world. They run themselves on global lines, with management structures often unrelated to the legal ones within which they are incorporated.

Their regulators, on the other hand, are national in scope and authority, and are compelled by law to look at legal entities rather than management realities.

"There is an inherent contradiction in national supervision of global firms and global markets that limits the financial system's defences against systemic disruption," said Mr John Heimann, chairman of global financial institutions at Merrill Lynch, the US investment bank, and co-chair of the G30 working party.

Financial disasters such as the collapse of Barings, a UK merchant bank brought down by trading on the Singapore futures exchange, have made regulators acutely aware of this.

Yet there is no global authority with the standing or reach to sit down with the global risk management committee of a Goldman Sachs or a Deutsche Bank and discuss the entire spread of risks run by such a group.

Regulators have been doing their best to grapple with this problem, by developing common standards and building communication links between authorities in different countries and industries.

In banking, a high degree of consistency has been achieved through the standards set out by the Basle committee of banking supervisors. In securities markets and the insurance industry, such consistency has been harder to achieve. But the regulators may be reaching the limits of what they can achieve through closer co-operation.

Short of setting up a supranational regulator, which virtually no one regards as either realistic or desirable, global rules for how these global businesses should be self-regulating may have to come from the businesses themselves.

"Internationally binding regulation would, if at all possible, take ages, possibly establish and petrify the wrong rules and be deadly inflexible," warned Mr Ulrich Cartellieri, a Deutsche Bank board member.

Many regulators agree.

"Unless and until the firms themselves articulate standards as to how they control their risks, you don't have a starting point. It can't be done by the supervisors. It must be based on how good firms actually control their risks," Sir Andrew Large said.

The G30 idea is that a standing committee representing the leading global financial groups, but working closely with supervisors, would set out standards for best practice in areas such as credit assessment and provisioning, disclosure and operational controls.

The exercise is targeted firmly at the wholesale end of the financial industry. National supervisors see little advantage in leaving areas such as the treatment of retail investors to this kind of self-regulation.

Besides peer pressure to meet the new committee's standards, there could be actual penalties. Banks which failed to comply could, for example, be required by their trading partners to put up more collateral.

To get even that far, much more work needs to be done, possibly bringing in other groups such as the Institute for International Finance, another Washington body with investment banks and asset managers as well as commercial banks among its members. But these standards would only work if they proved convincing to national regulators, who would still have legal authority over companies in their jurisdictions.

"It would be useful, I believe, for those who are in the industry to take a lead in suggesting ways in which their operations can be made safer and better.

"It is essential, at the same time, to have supervisory approval and authority for that," said Mr Andrew Crockett, general manager of the Bank for International Settlements, under whose auspices the Basle committee meets. There are precedents for this kind of approach.

The Basle committee has, for example, agreed that banks may use their internal models for calculating the market risk they incur in their trading operations. However, while banks are now allowed to measure that risk, it is still their supervisor who says how much capital they must hold in proportion to it.

The G30 itself claims credit for the groundwork in establishing standards for disclosure of derivatives activity, at a time when the derivatives industry was still in its infancy and regulators were a long way from catching up.

But Mr Eddie George, governor of the Bank of England, is cautious. "You have to be careful. The reason you have regulation in the first place is because there is some social benefit which is not captured in the private cost/benefit equation," he said, while acknowledging the process of supervision was in transition.

Above all, it may prove impossible to convince national parliaments that supervisors are not simply abdicating their responsibilities if they accept the standards the industry defines for itself.

Mixed picture as Algerians go to vote

By Roula Khalaf in Algiers

Five years after Algeria's now banned Islamic Salvation Front (FIS) won a landslide victory in the capital, plunging the country into bloody turmoil, Algiers appeared to be voting yesterday for an array of political parties.

In Islamist areas, young women wearing headscarves said they were casting their votes for Islamist parties as well as fiercely anti-Islamist movements. Younger ones said they wanted to see in parliament Mrs Louisa Hannoun, the outspoken government critic and leader of the socialist Workers' Party.

Mothers of men in the military and workers in the administration said they voted for the pro-government National Democratic Rally (RND), created just three months ago. But others were confused whether voting for the army-backed government meant the RND or the National Liberation Front (FLN), the former ruling party. "They formed a new party and took people from the FLN to run it," said Mr Hussein Kahal. "So I might as well stay with the old FLN. I know they at least liberated my country."

In a country where the illiteracy rate is about 52 per cent, the illiterate elderly women who went to vote had little idea how to vote or for whom. In Climat de France, a woman in traditional dress picked the party with the letter S, a modernist and anti-Islamist movement. "I'm just here to vote for Algeria," she said. "I can't read and I don't know what this party is, do you think I voted against Algeria?"

Algiers is one of the most important races in this election, billed by the government as a way out of the crisis provoked by the cancellation of the 1991 elections the FIS was poised to win.

Although the parliament now being elected has very limited powers, Algiers' 1m voters could send to it some of the country's strongest voices. Most heads of political parties are running in Algiers. So are ministers, including Mr Ahmed Ouyahia, the prime minister.

The favourites in the elections are the pro-government RND and the moderate Islamist Movement for a Peaceful Society (MSP), which has been hoping to win part of the FIS vote. Other parties expected to win a share of the vote include the FLN, and the secular Socialist Forces Front (FFS) and Rally for Culture and Democracy (RCD). By yesterday afternoon, the Algerian government was reporting a national turnout rate of 41.78 per cent. The turnout in Algiers is generally lower.

If the election is deemed fairly transparent – two parties were already complaining yesterday of irregularities – having deputies from Algiers who stand for a range of political views may help develop a political culture in the capital.

"If they don't manipulate the numbers, these elections will change things, at least we will have some new faces," said a young man.

Many voters yesterday were not clear on what the parliament could do for them or how it will help end the violence.

"It seems that the more we vote, the worse things get," said a janitor at the Lycee Abdelkader in Bab el Oued.

Miss Razika Kebbab, 33, said she had voted FIS in 1991, then voted for Mr Liamine Zeroual, the former army general, in the 1995 presidential elections. "But because things have not changed much, I have decided to change my vote and go for the MSP (the Islamist party)."

A young university student said he was torn between the pro-government RND and an Islamist party. "I'm thinking of voting for the RND out of interest, I heard they might do away with military service," he said. "But I'm also thinking about voting Islamist so I can vote against the government."


A policeman checks documents as a woman queues to vote in Algiers yesterday Reuter

INTERNATIONAL NEWS DIGEST

Arafat orders corruption probe

Mr Yassir Arafat, president of the Palestinian Authority, has ordered an inquiry into allegations of corruption and misappropriation of $326m in public funds following a recent auditor's report presented to the Palestinian legislative council. At the same time he accepted the resignation of Mr Khaled al-Kidreh, the attorney-general, who some diplomats suspect may have had to accept responsibility for the auditor's report, which is not available to the public. Mr al-Kidreh, 62, said he was resigning for health reasons.

The inquiry, to be headed by Mr Tayeb Abdel-Rahim, secretary-general of Mr Arafat's office, coincides with the start of a meeting yesterday in Washington of donors to the Palestinian Authority. The donors said they wanted the meeting to focus on the Authority's budget as well as more accountability and transparency of the its finances. Palestinian finances and the establishment of monopolies in the West Bank and Gaza, often abetted by Israeli monopolies, have come under increasing criticism from investors and diplomats who are concerned they will discourage investment and stifle Palestinian entrepreneurs. *Judy Dempsey, Jerusalem*

Farm subsidies fall

Rich nations saved billions of dollars in subsidies to farmers last year, but the Organisation for Economic Co-operation and Development said yesterday the windfall was exceptional and the cost of assistance could climb again without reforms. A grain price boom was one of the main reasons for the drop in the basic cost of supporting agriculture, which fell to $166bn in 24 OECD nations last year from $180bn in 1995.

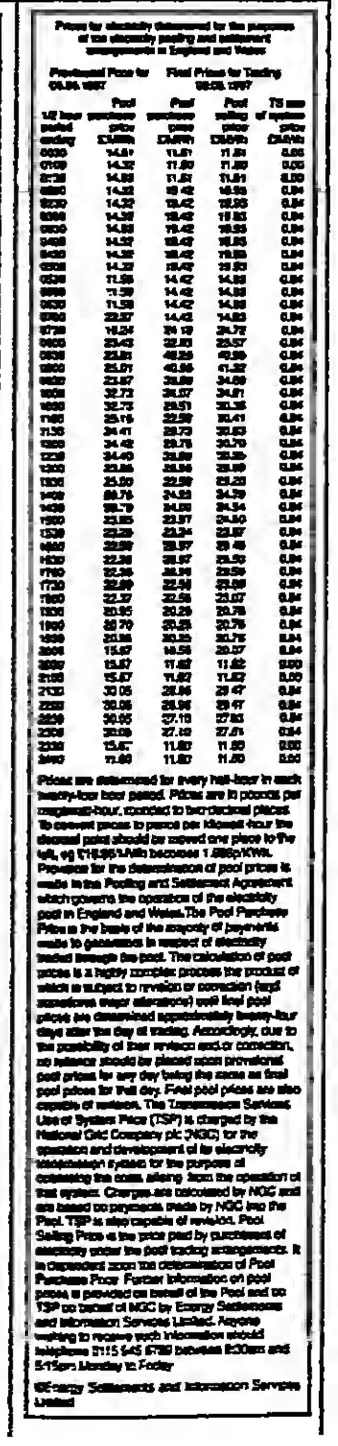
Higher prices cut the cost of helping farmers compete. But the price of grain, which influences the price of bread, dairy and meat, has fallen steeply since hitting records in mid-1996, and the free-market organisation is worried that last year's savings will make its governments complacent about streamlining agriculture. "There is still much unfinished business on the reform agenda," the OECD said in a report, noting many farmers were shielded from market forces. Switzerland remains proportionally the most generous OECD country to its farmers, with its mainly environmental aid accounting for four fifths of the value of all crops produced. *Reuter, Paris*

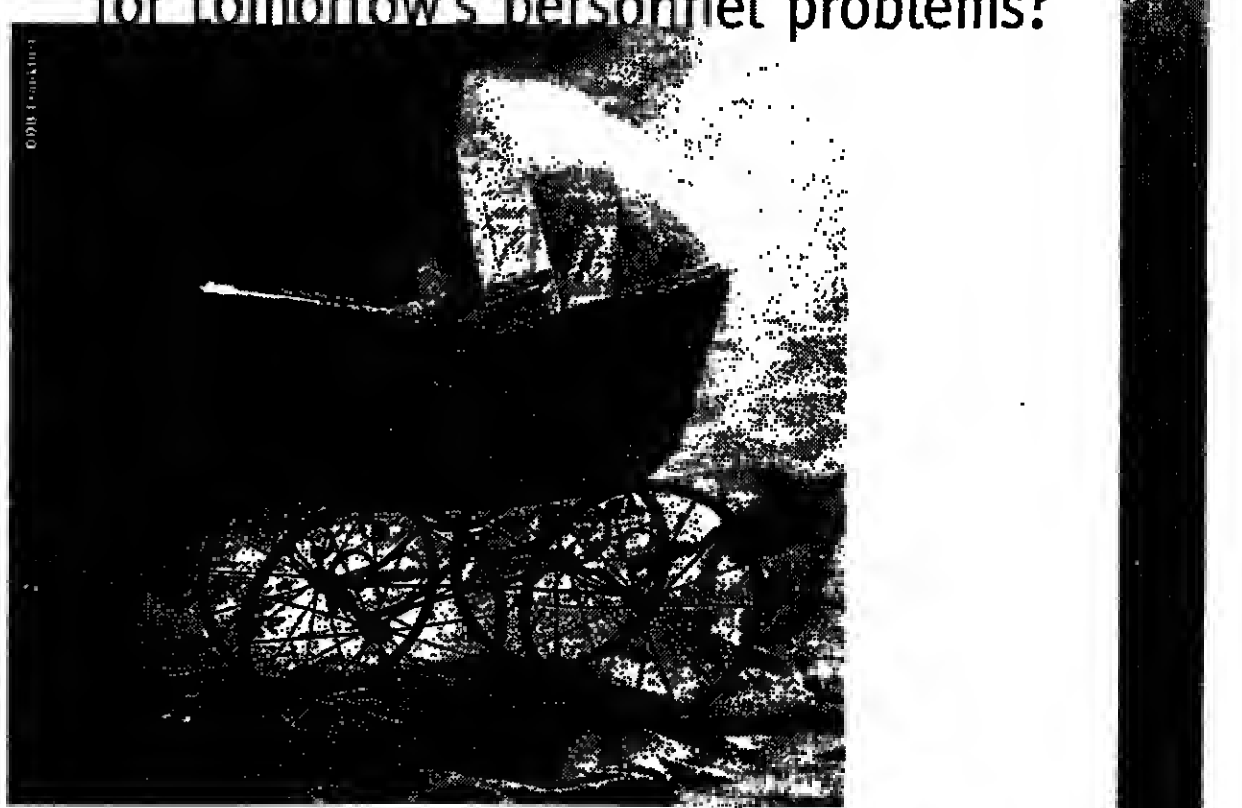
Coup chiefs want to stay on

Leaders of a coup in Sierra Leone want 18 months in power before handing over to an interim body to steer the west African nation to elections, politicians invited for talks with them said yesterday. The politicians, who included members of ousted President Ahmad Tejan Kabbah's administration and of the opposition, said they rejected the suggestion outright.

State radio reported that coup leader Major Johnny Paul Koromah had held talks with a Nigerian delegation which gave assurances that Nigerian forces had no further plans to attack military bases in the city and would not intervene further to reverse the May 25 coup. The politicians dismissed the radio report as propaganda.

Nigeria, which already had troops in the city under a defence agreement, has been steadily reinforcing in the city. The politicians said a Ghanaian delegation, in town to try to push for a peaceful end to the standoff, was due to meet Mr Koromah last night. *Reuter, Freetown*





Cardoso can stand again as president

By Geoff Dyer in São Paulo

Brazil's President Fernando Henrique Cardoso effectively became a candidate for next year's presidential elections yesterday after Congress passed a constitutional amendment allowing him to become the first president in the country's history to stand for re-election.

In the last of four votes in Congress needed to approve the amendment, the 81-member Senate voted 62-14 in favour of the bill, which also permits sitting state governors and mayors to stand again.

The government will now try to use the passage of the re-election amendment to regain political momentum and push through several other important reforms stalled in Congress.

The president's office yesterday maintained he was not yet officially a candidate for the elections next October, but Mr Cardoso's party, the PSDB, wasted no time in launching his campaign. "He is the best name in the PSDB," said Mr Aécio Neves, leader of the party in the lower house.

Government leaders said the next challenge was to secure approval in Congress of constitutional reforms to the civil service and social security systems seen as vital steps in reducing Brazil's large budget deficit. Economists have warned that failure to alleviate the fiscal burden could undermine the country's new-found economic stability.

A strong sense of optimism about the reforms has all but evaporated amid in-fighting among the parties of the government coalition over the past two months.

Political analysts cautioned that the passage of the re-election bill would not dramatically change the atmosphere in Congress.

"This is not like having a vote of confidence in a parliament. Congress has approved the idea of re-election, but not the agenda of the president. Every part will have to be dealt with separately," said Mr Murillo de Aragão of Arko Advice in Brasília.

The government only has six months left to press its reforms before campaigning for the elections begins in earnest at the beginning of next year.

The privatisation of cellular telephone services in Brazil has started with the sale of a concession in the centre-west of the country to a consortium including Bell Canada for R$338.5m ($316m), writes Geoff Dyer.

The concession is one of 10 so-called "Band-B" areas the government has put up for sale in a process expected to raise about $6bn. The centre-west area was announced first as there was only one bidder.

The members of the consortium, called Americel, are Bell Canada, Telesystem International, also of Canada, Citibank, Opportunity Asset Management, a Brazilian fund manager, and several Brazilian pension funds. They paid a 25.4 per cent premium over the minimum price for the concession which covers the capital Brasília and the largely rural states of Goiás, Tocantins, Mato Grosso, Mato Grosso do Sul, Rondônia and Acre.

The communications ministry also announced that five of the 15 consortia bidding for the Band-B concessions had been disqualified for failing to meet the requirements of the closed envelope auction.

The five consortia have a week in which to appeal against the decision.

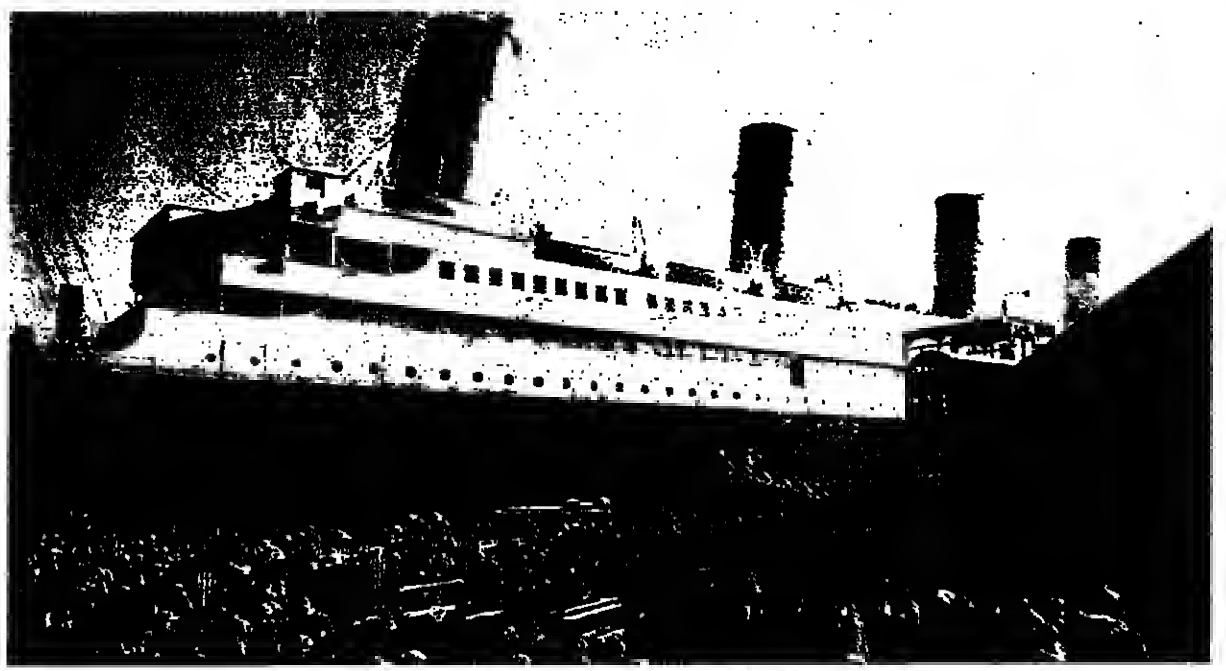
Budget-buster could pay off for all involved, writes **Christopher Parkes**

'Titanic' film crew's ship comes in

Seven months before it steams into the cinema, *Titanic*, Hollywood's umpteenth project based on the 1912 maritime tragedy, has already entered the annals of film legend.

Among the industry's hourly-paid carpenters, caterers, electricians and lighting engineers, the $200m- plus project is revered as the job that outdid Universal's *Waterworld*, the last film to catch the headlines as the most expensive ever.

That $170m effort, which did little better than break even, is informally known on the lower decks as "Walletworld" because of the big rewards. For those who labour and do not count the cost – only their overtime, bonuses and tax-free *per diem* subsistence pay of $50 and up – the protracted production of *Titanic* has also paid off well.



Scene from the film 'Titanic', for which a four-fifths scale model of the ill-fated liner was built Reuter

Shooting over-runs, which stretched filming from the budgeted four months to six, and working days from the customary 12-18 hours, consumed holidays and weekends and often trebled the basic hourly rates of between $9 and $40 paid to the grips who hammer and nail, and the gaffers who keep the lights on.

For co-backers, Paramount Pictures and 20th Century Fox, the News Corporation subsidiary, pay-day has been pushed steadily into the uncertain future by the inflation of the film's budget from an initial $110m towards an estimated $250m by the time it opens in December, six months late.

The expected total is about five times the cost of the average Hollywood film and three times as expensive as *The Lost World*, the *Jurassic Park* sequel currently gobbling up US box office records.

Yet, despite the squeals of outrage from Hollywood's boulevardiers, and an understandable nervous tension pervading Paramount and Fox, film industry rivals take a circumspect, even admiring, view of events.

According to one established producer, *Waterworld* ran over schedule and two times over budget because of fundamental planning flaws which placed the elaborate floating set at the mercy of unpredictable winds and currents off the coast of Hawaii.

In the case of *Titanic*: "It cost more because it cost more; not because people were foolish or incompetent, but because film has not been done on this scale before."

Another studio executive questions the cost estimates. For example, he says, the *Titanic* budget includes the bill for constructing a new studio complex with four sound stages in Rosarito Beach, Mexico, just south of the border with California.

"It is all written off against the cost of one film, but Fox will still have a new studio at the end of the day," he adds. The same goes for costumes, and the hydraulics used to tilt and roll the set in the water tank.

On one hand, the construction was necessary because no existing studios had tanks big enough to accommodate the four-fifths scale model of the RMS Titanic demanded by director James Cameron, who made his name as an "event" film-maker with *Terminator*.

On the other, the expense can be justified by persistent demand for facilities which currently keeps California's existing studios booked solid for 18 months in advance.

Yet the prospect of such longer-term benefits does little to mitigate the short-term impact on *Titanic*'s backers of the extravagance which has marked the film in some observers' eyes as an unjustified risk.

With an estimated labour force of 2,400, Cameron had twice as many hands on deck as is customary for a big-budget event production. Half were actually in the film – which boasts three times the usual number of speaking roles – and the rest included crew and facilities providers.

Crews and specialists brought in from England, Mexico, the US and Australia, had to be installed in hotels in locations ranging from Halifax, Nova Scotia, to Mexico, for a shooting schedule which often stretched long into the night. At the height of activity, up to 30 lifeguards were on hand to protect the 100-odd stuntmen floundering for take after take in the studio tank.

Three extra production managers were drafted in to join the battalion of accountants striving vainly to maintain fiscal discipline.

They were not up to the task, one producer claimed, because the dynamics of film-making do not allow regular time-keeping. "When you can spend all day setting up and lighting a shot, and have all your people in costume and character, you don't stop just because it's dinnertime," he says.

"And even when production costs start running up over budget, what kind of studio 'suit' is going to come on to the set and pull the plug, when he cannot be sure it's not going to be a blockbuster?"

When Fox and Paramount signed James Cameron as director, they in effect ceded all control to the project's creative leader. "A director given the authority to order executives off the set is not going to be swayed by foot-soldiers from the accounts department," he adds.

"When the shooting starts on theatrical productions like these, the director is God."

Three Bolivian parties in coalition agreement

By Sally Bowen in Lima

The winner of Bolivia's elections, General Hugo Banzer's Accion Democratica Nacionalista party (ADN), has signed a coalition accord with the parties that came third and fourth to try to secure the presidency for the next five years for the former dictator.

The deal has been struck with unusual speed and before official results from last Sunday's elections to decide the presidency and the two-chamber congress have been published. The coalition gives a crucial role in the next congress to the Movimiento Izquierda Revolucionaria (MIR) and Unidad Civica Solidaridad (UCS).

The ruling Movimiento Nacionalista Revolucionario (MNR), which came second in the poll, has therefore been left out in the cold. However, Mr Jaime Paz Zamora, MIR's leader and a former Bolivian president, and several prominent MIR members, had their US visas formally revoked in late 1995 following a judicial investigation into the use of money from the illicit drugs trade. Their role in the coalition may unsettle foreign investors and inhibit the granting of US aid.

Mr Gonzalo Sanchez de Lozada, president and MNR party chief, says he is worried MIR participation in a governing coalition could lead to the US exercising its veto power over "the concessional funds Bolivia needs".

"International investors, especially in the US, are already worried at the prospect of an ADN-MIR alliance which might prejudice the integrity of this revolutionary series of measures we've managed to achieve in democracy and financial stability," he said.

The coalition promises to combat poverty – "giving a social content to the current model". It has also pledged incentives for manufacturing and export and action on corruption and drugs trafficking.

Mexico ruling party may lose majority

By Leslie Crawford in Mexico City

Mexico's Institutional Revolutionary party (PRI) could lose its absolute majority in Congress following mid-term elections on July 6, according to opinion polls published this week.

A nationwide poll conducted by nine Mexican newspapers found only one in three voters supported the PRI, the party which has ruled Mexico since 1929.

One in four respondents backed the conservative National Action party (PAN), while 17 per cent backed the leftwing Revolutionary Democratic party (PRD).

But with 23 per cent of the electorate still undecided and another month of campaigning ahead, Mr Rafael Giménez, the chief pollster at Reforma, a leading Mexico City daily, does not rule out a slim PRI victory. According to the election's complex arithmetic, the PRI must win 42.2 per cent of the vote to control the 500-seat chamber of deputies.

"What is certain is that for the first time in a national contest, the PRI's vote will drop below 50 per cent, and that is a tremendous psychological blow to a party accustomed to absolute power," Mr Giménez said.

Balloting on July 6 will also include the renewal of one-quarter of the Senate, elections for six state governors and the first-ever election of a mayor for Mexico City. Mr Cuauhtémoc Cárdenas, a former presidential candidate and founding member of the PRD, has emerged as front-runner in the mayoral race.

PRI is under pressure in mid-term poll

Speculation has centred on how President Ernesto Zedillo will govern without a rubber-stamp Congress.

"A Congress in which the PRI does not have an absolute majority would be a nightmare for a government used to imposing its will upon the legislature," says Mr Luis Rubio, director of the research centre for development in Mexico City.

"The government would have to learn how to negotiate. It would be a difficult scenario to manage, although it might begin to rid our political system of some of the worst abuses of power."

In a campaign largely devoid of burning issues, the PRI appears to be benefiting from Mexico's timid economic recovery and Mr Zedillo's growing popularity, which has nudged above 50 per cent for the first time since he took office 2½ years ago.

The PRI's appeals to nationalism and continuity have been met with opposition campaigns that stress the need for a real change of power after 68 years of uninterrupted PRI rule.

But the PAN and the PRD have weakened their appeal by attacking each other, instead of making common cause against the ruling party.

"Mr Zedillo's popularity is of vital importance to the PRI. By virtue of his authority, he can sway public opinion and reap votes for his party," Mr Giménez says.

Mr Zedillo has been doing just that. Since the start of the year, he has transformed his weekly outings to the provinces into campaign rallies, where he warns against false prophets.

Talks on Chile bank

By Stephen Fidler, Latin America Editor

Chile's central bank and government are in discussions about an increase in the bank's capital, Mr Pablo Piñera, a central bank director, said in London yesterday.

The bank's capital has been eroding because of losses sustained through foreign exchange market intervention to stem appreciation of the peso. In this process, the bank sells high-yielding pesos in return for dollars, which yield significantly less. Chile's foreign exchange reserves have risen to a record $17bn.

The bank was seeking capital at the levels of 1990 when the bank assumed independence from the government. Mr Piñera said the autonomy of the central bank would be more secure if its capital were higher.

The aim was to incorporate the capital increase in the 1998 budget law. Chile has been running a fiscal surplus that has more than covered the central bank losses, but the fiscal implications of a capital increase would depend on how it was made and over what period.

Anti-mafia drive saves $330m

New York City acts to clean up the city's garbage industry

By Leyla Boulton in New York

Businesses in New York City have cut over $330m from the $1.5bn cost of waste disposal a year, a conference in the city was told yesterday, thanks to an increasingly successful fight against the mafia.

But although the message of Mr Randy Mastro, first deputy mayor of New York City, was that great strides had been made in ridding the garbage industry of mob domination, most speakers said law enforcement had to be accompanied by a revolution in regulation of the industry.

The conference, at which New York law enforcement authorities shared successes with Italian anti-mafia officials, heard that organised crime bosses from families such as the Gambinos and Genoveses had been at the top of the system which kept prices at "grossly inflated levels". At the bottom, small waste companies paid dues to the mafia in return for "property rights" over their customers.

Customers in turn had been intimidated for the past 40 years by what one speaker described as "mafia thugs knocking at their doors in the middle of the night".

US speakers told their Italian counterparts that individual prosecutions, sting operations involving undercover agents and wire-tapping were not enough. Mr Zachary Carter, attorney of the Eastern District of New York, said prosecutions were only a "holding operation" until regulation was able to promote true competition in the industry. "We are making significant headway in the elimination of the influence of organised crime but regulations also play a significant role," said Mr Lewis Schiliro, assistant special agent in charge of the FBI's New York office.

Mr Daniel Castleman, chief of investigations at the New York county district attorney's office, said he hoped the city's Waste Trade Commission, a regulatory body set up a year ago, would "finish the job of ridding the industry of organised crime". Ms Marybeth Richroath, deputy commissioner for enforcement at the commission, said the agency's powers included:

- Handling complaints of intimidation from any customers who had tried to change their waste haulers.
- The right to exclude from the trade any individual with previous criminal or organised crime connections.
- The right to cancel long-term contracts imposed on customers under duress.
- The right to inspect the books of any waste business at will.
- The promotion of competition to force down prices in the waste industry.

NEWS: UK

Treasury minister calls on City institutions to assign skilled staff to super-watchdog

Guidance sought on regulation reform

By John Gapper, Banking Editor

Mrs Helen Liddell, the Treasury minister in charge of regulation in the City of London, yesterday tried to reassure financial institutions about planned reforms. She insisted the government would be guided by the views of practitioners.

Mrs Liddell also said differential levels of regulation would be retained for wholesale and retail business despite the planned amalgamation of banking, securities and fund management regulation.

In a speech in London she appealed for financial institutions to give the Treasury their views on proposed reforms and to assign skilled members of staff on secondment to the enlarged Securities and Investments Board.

Mrs Liddell said that she wanted to move towards regular secondments of experienced staff to the "super-SIB". This has been more common among regulators in the US than in Britain.

Responsibility for banking supervision should transfer to SIB by the end of this year and self-regulatory organisations should integrate into SIB in 1999 or 2000 after publication of e financial services bill next year.

"We need to take the advice of those who know how the industry works," she said. "If the industry ignores this opportunity to help shape the new regulatory regime, then thay will have no one to blame but themselves."

Mrs Liddell said the government was "not in the business of developing an overbearing bureaucracy". It wanted a regulator that was "responsive and flexible" and recognised a varying level of sophistication among investors.

The government was not aiming at "tearing up everything we have, not traumatic change. Rather, building on and improving on the system we have at present, learning from best practice, and from the misjudgments of the past".

She also reassured institutions that the government intended to be open. "No longer will you be faced with deals struck behind closed doors, or a poorly thought out *fait accompli*," she said.

Although few regulators or managers of financial companies have criticised the government's move to amalgamate SROs with SIB, there has been some concern at the complexity of the task of merging various aspects of supervision.

Mrs Liddell re-emphasised that the government intended to be tough on cases in which individual investors suffered, such as the mis-selling of personal pensions. She described slow progress in this field as being "completely unacceptable".

Mrs Liddell also signalled that the government wanted to see a further move to ensure that senior management was disciplined in cases of serious mistakes or misconduct in their organisations.

Lottery is again judged world's most efficient

By Raymond Snoddy in London

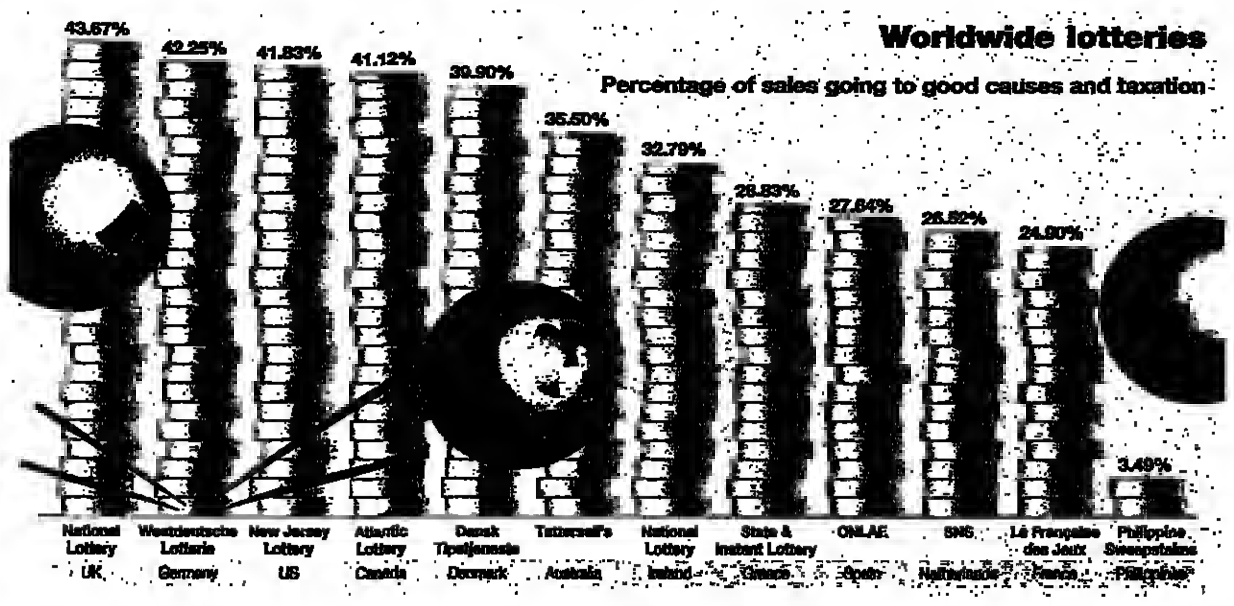
The UK's National Lottery has been judged the most efficient in the world for the second year running, according to independent research.

Ms Terri La Fleur, president of TLF publications of Washington, specialists in information about lotteries and gambling, has assembled information on more than 100 lotteries.

The British lottery, apart from being the world's largest, comes first in the important measurement of efficiency, namely the proportion of total revenue that goes to good causes and to the government in taxation.

The lottery is operated by Camelot, whose members are Cadbury Schweppes, the UK food and drink group; De La Rue, the security printers; Racal Electronics; ICL, a UK offshoot of Fujitsu; and GTech, the US lottery equipment supplier.

In 1996 Camelot returned a total of $3.45bn to government and good causes, 43.67 per cent of sales. Two German lotteries, the Westdentsche Lotterie and the NWest Lotto, were second and third with 42.25 per cent and 42.22 per cent of sales respectively.



Announcement of the world lottery league tables comes as Camelot faces increasing pressure from the UK government. Camelot has until today to say whether directors will pay to good causes part, or all, of the controversially large bonuses they were recently awarded.

There were growing signs yesterday that Camelot will decline to instruct its directors to hand over their bonuses and that resignations will ensue. These could include that of the chairman, Sir George Russell.

The government minister responsible for the lottery has argued that "fat cat" bonuses may damage the public view of the lottery.

Philip Stephens, Page 16
Lex, Page 18

Minister issues ultimatum on 'mad cow' safeguards

By Maggie Urry in London

Mr Jack Cunningham, agriculture minister, gave his European counterparts an ultimatum yesterday saying if they did not approve EU-wide safeguards against bovine spongiform encephalopathy – "mad cow disease" – by July 22, the UK would act unilaterally. "This is no game, no bluff," he said.

Mr Cunningham said that the same stringent controls that the UK now applies to beef should be enforced across the EU. If they were not, then the UK would ban imports of beef which had not had the "specified risk material" removed. These are parts, such as the brain and spinal cord, which are thought to carry BSE. He said he was acting on advice from the Spongiform Encephalopathy Advisory Committee, the independent group of scientists headed by Professor John Pattison. Seac further recommended that controls should be introduced to safeguard against the theoretical possibility that BSE could have transferred to sheep.

A ban on sheep and goat heads was introduced last summer. Now Seac is recommending removal of the spleen from all sheep and the spinal cord from sheep more than 12 months old. Most of the 18m sheep slaughtered in the UK are under a year.

Mr Cunningham and Prof Pattison stressed that they had no evidence that BSE had transferred to sheep, but said that if it had, it could be hidden by scrapie, the sheep disease from which BSE is thought to have originated.

The moves were welcomed by farmers and the meat industry. The Meat and Livestock Commission said the proposals were a step towards the "level playing field" it had been calling for.

Beef farmers have complained that imports of beef from countries with less strict controls were undermining the UK market and threatening public health. Beef prices have fallen to a 15-year low, while imports have risen sharply in the first few months of this year.

Business is told to lead push for single market

By David Wighton, Political Correspondent

Business must take the lead in the drive to complete the European single market, a report by British business leaders said yesterday.

It concluded that the failure to complete the single market was undermining European competitivaness but business could help generate the political will for e new initiative.

Headed by Lord Sheppard, former chairman of Grand Metropolitan, the group also included Lord Simon, the former chairman of British Petroleum who is now minister for trade and competitiveness in Europe.

Although Lord Simon's name does not appear on the report, it represents a blueprint for fulfilling the government's pledge to complete the single market.

Lord Sheppard, a prominent supporter of the opposition Conservative party, said the report's conclusions were "very much in line" with recent statements from Mr Gordon Brown, the chancellor of the exchequer, and Mrs Margaret Beckett, the chief industry minister.

The report echoes ministers' stress on the promotion of labour market flexibility and focusing Europe on issues other than the single currency.

"The problem has been that the enthusiasm for the single market has been drowned out by the debate over the single currency," said Lord Sheppard.

The report criticises the European Commission and other EU institutions for being too bureaucratic and backward looking. But it says it is up to business to make sure that its voice is heard at all levels.

The study was sponsored by Action Centre for Europe, a pro-European, non-party think-tank. Its key recommendations include: opening up markets such as energy and telecoms; backing moves to eliminate state aid; fast-track investigation of single market rule breaches; revision of public procurement rules and a review of competition policy.

Bank body follows Fed route

By Wolfgang Münchau, Economics Correspondent

The new monetary committee of the Bank of England met for the first time yesterday for a two-day session to determine monetary policy for the next month. As the main executive organ of a soon-to-be independent central bank, it will be one of the most powerful institutions in the country, wielding exclusive control over short-term interest rates.

The committee itself is modelled closely on the open market committee of the Federal Reserve in terms of the way it operates. They both meet once a month for two days, unlike the governing board of the Bundesbank, which meets fortnightly, but then only for one day.

The monetary meetings are preceded by one-week preparatory sessions among officials, who prepare the participants with forecasts.

The one significant area in which the UK monetary committee differs from its counterparts is the lack of regional representatives. In the UK, the meeting consists almost entirely of professional economists, with academic or professional backgrounds.

In the US and Germany, states send their own representatives, largely people with a political or central banking background.

The committee can determine its own *modus operandi* for communicating with the outside world, but it is expected to adhere to a list of recommendations from Bank staff.

It is envisaged that the committee will release key decisions at noon on the second day of its meetings, communicating electronically with financial markets and news agencies.

The committee will itself decide whether it wants to draft a statement detailing its decision. The minutes of the meeting will be published six weeks later under the same procedure previously adopted for the monthly monetary meetings between the chancellor of the exchequer and Mr Eddie George, the Bank governor.

One of the most intriguing aspects of the new regime will the recording of minority opinions, which will make the process more transparent for outside observers. One insider said this could give rise to "Bank watchers", similar to the Fed-watchers, whose sole job is to find out what the central bank is going to do next.

The Confederation of British Industry, the biggest UK employers' lobby, yesterday urged the Bank of England to hold fire on interest rates until after next month's Budget, Robert Chote writes. The Bank's newly appointed monetary policy committee will announce its decision on rates at noon today. By a narrow majority, City of London economists expect them to rise from 6.25 to 6.5 per cent. The latest CBI survey of retailers, released yesterday, showed annual growth in sales volumes falling to its lowest rate for 18 months. "However, the survey indicates that underlying sales remain on a firmly upward track," said Mr Alastair Eperon, chairman of the CBI's distributive trades panel.

UK NEWS DIGEST

Immigration curb is relaxed

The government yesterday scrapped one of Britain's toughest immigration measures, which had previously barred entry to thousands of people married to Britons. Mr Jack Straw, home secretary, abolished the "primary purpose rule" which requires people not of British nationality who are married to UK citizens to prove that the "primary purpose" of the marriage is not simply to win entry to the UK.

"This arbitrary and unfair rule has penalised genuine marriages, divided families and unnecessarily increased administration," said Mr Straw. The abolition, a Labour party election manifesto commitment, will bring immediate benefits to the 840 spouses who were rejected under the rule last year. The UK admitted almost 62,000 immigrants last year.

Mr Straw said the rule had placed a burden on the spouses of British citizens that was not placed on other EU nationals. "It is also very doubtful that this inherently ineffective and unfair rule has worked to filter out those who sought to cheat the system," he added.

Mr Straw also said that work was under way on two related manifesto commitments, the control of unscrupulous immigration advisers and the tightening of the issue of birth certificates. *Liam Halligan*

■ BARCLAYS BANK

Staff polled on industrial action

Barclays Bank staff are to vote on whether they are willing to take "sustained industrial action" in a dispute over a proposed salary structure. The banking unions Unifi and Bifu said the proposals would mean that 60 per cent of employees might lose out almost immediately, while almost all the rest could have their pay and pensions frozen after a transition period. Barclays said the scheme was designed to reward good performance, rather than the length of time served.

A strike at Barclays could prove uncomfortable for the government which has asked Mr Martin Taylor, the bank's chief executive, to head its taskforce for reforming the tax and benefit system. *Andrew Bolger*

■ VALUE ADDED TAX

EU court switch on outsourcing

The European Court of Justice yesterday reversed the opinion of its advocate-general that banks might have to pay value added tax on outsourced financial services. UK banks were expected to come under pressure to take back in-house services which they had outsourced if the court had backed the original opinion – given in July 1996. Outsourcing has become increasingly popular throughout Europe. "A number of outsourcing arrangements had been put on hold pending the outcome of this case," said Mr Graeme Ross, VAT partner with accountants Ernst & Young in London. The case had been brought by the Danish tax authorities in the case of Sparekassernes Datacentre, e data processing company. *Jim Kelly*

■ CAR SALES

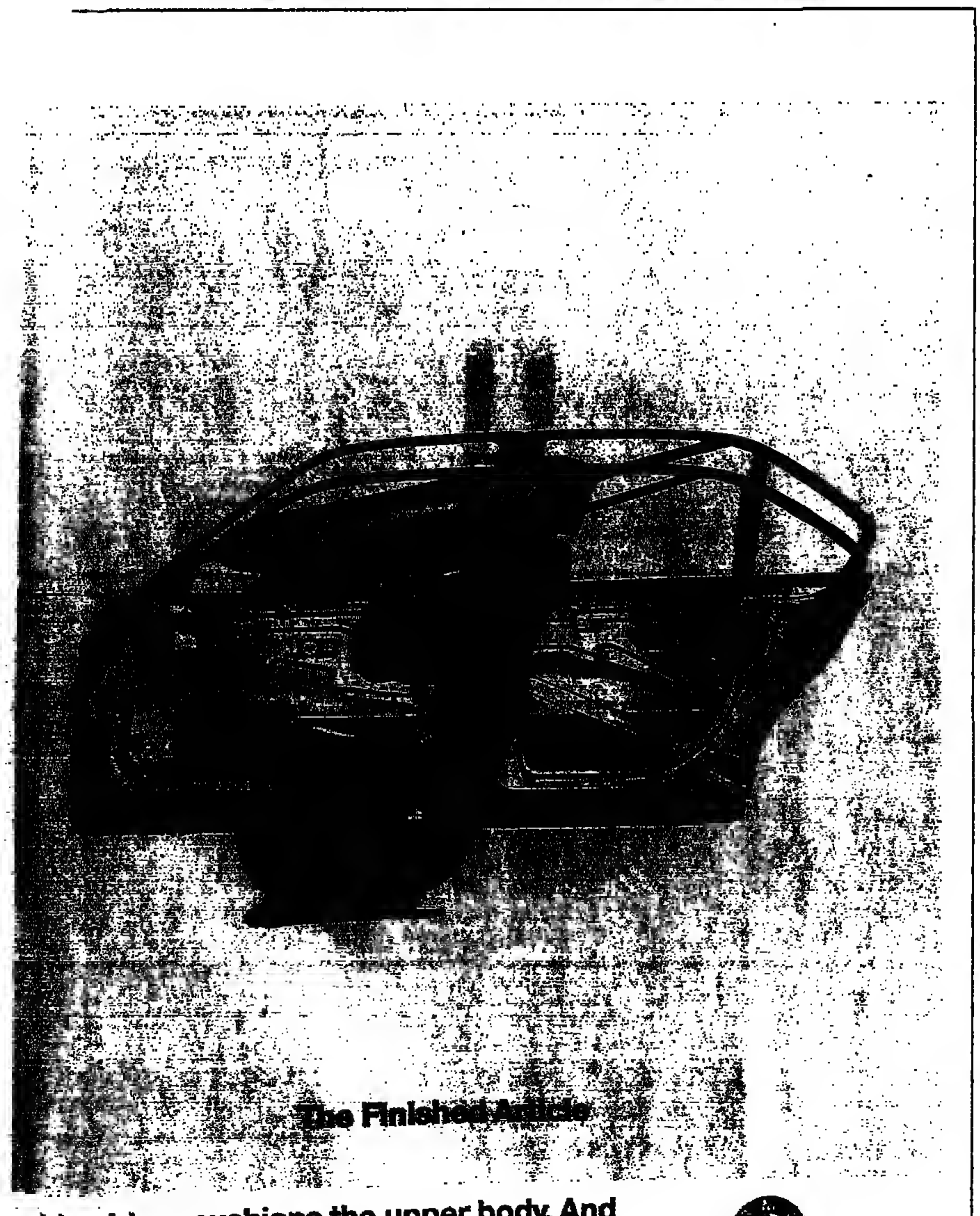
Gains for VW and Renault

Registrations of new cars during May 1997	May 1997 Volume	May 1997 Change %	May 1997 Share %	May 96 Share %
Total Market	169,886	2.54	100.00	100.00
UK Produced	62,049	-0.67	36.52	37.70
Imports	107,837	4.47	63.48	62.30
Japanese makes	24,575	18.13	14.47	12.56
Ford group	35,317	-8.17	[illegible]	[illegible]
Ford	34,574	-8.73	20.35	22.86
Jaguar	743	26.10	0.44	0.35
General Motors (1)	23,288	-1.07	13.71	14.21
Vauxhall	21,769	-2.73	12.81	13.51
Saab	1,519	31.06	0.89	0.70
BMW group	20,525	-6.37	12.08	[illegible]
BMW	4,814	2.71	[illegible]	[illegible]
Rover(2)	15,711	-8.84	[illegible]	[illegible]
Peugeot group	18,532	-1.51	10.91	11.36
Peugeot	12,774	1.04	7.52	7.63
Citroen	5,758	-6.74	3.39	3.73
Volkswagen group	16,554	[illegible]	[illegible]	[illegible]
Volkswagen	10,932	[illegible]	[illegible]	[illegible]
Audi	2,242	[illegible]	[illegible]	[illegible]
SEAT	988	[illegible]	[illegible]	[illegible]
Skoda(3)	1,392	[illegible]	[illegible]	[illegible]
Renault	10,948	14.07	6.44	5.79
Nissan	7,544	[illegible]	[illegible]	[illegible]
Toyota	5,449	15.80	3.21	2.85
Fiat group	[illegible]	[illegible]	[illegible]	[illegible]
Fiat	[illegible]	[illegible]	[illegible]	[illegible]
Alfa Romeo	[illegible]	[illegible]	[illegible]	[illegible]
Volvo	3,158	38.53	1.86	1.37
Mercedes Benz	[illegible]	[illegible]	[illegible]	[illegible]
Honda	4,345	14.58	2.56	2.29
Mazda	[illegible]	[illegible]	[illegible]	[illegible]
Korean makes	3,890	4.01	2.29	2.26

1. GM holds 50% of Saab Automobile and has management control. 2. Includes Range Rover/ Discovery 3. VW holds 70 % of Skoda and has management control
Source: Society of Motor Manufacturers and Traders

Registrations rise 2.5% in May

Ford, BMW's Rover offshoot and, to a lesser extent, the Vauxhall subsidiary of General Motors saw a continuing decline in their shares of the UK market for new cars last month. Volkswagen and Renault made further inroads. Registrations of new cars increased by 2.5 per cent to 169,886 in May compared with the same month last year, in a marked softening of the fast growth recorded in April. The May figures from the Society of Motor Manufacturers and Traders took the increase in new car sales in the first five months of 1997 to 902,167, 4.9 per cent more than the same period last year. The data confirm that the UK is one of the most buoyant markets in Europe because of strong consumer spending. *Haig Simonian*



Viewpoint · **Sumantra Ghoshal** and **Donald Sull**

Loss of faith in managers

The brightest and best no longer aspire to a management career. Why has this happened?

When we asked 140 MBA students at the London Business School to describe their career ambitions, only six aspired to management positions in established corporations.

Most hoped to derive professional satisfaction by constantly broadening and deepening their personal portfolio of skills, and by contributing to society in meaningful ways. As managers in established companies, they felt, they could neither develop personally nor contribute to social and economic progress.

It is easy for corporate executives to write these students off as arrogant or naive. Easy but dangerous. Managers must confront the reality that the best and the brightest from other professional schools, universities, and technical programmes are not joining established companies.

This inability to attract and retain talented young people is only one symptom of a more profound challenge to managers of large corporations – society has lost faith in them.

The evidence of lost faith is overwhelming. Corporate executives fare poorly in polls of public trust. We admire football players for their multi-million pound contracts, but vilify managers who prosper from performance-based incentives. The best selling Dilbert series argues that management positions exist as places where the least competent employees can do the least harm.

This crisis of faith in management has serious implications, not only for business, but for society as a whole. Unless the tide is turned firms will not replenish their management ranks with talented young people; executives will find themselves increasingly hemmed in by regulations designed to limit their influence; and managers will lose faith in themselves. These trends could hobble the large businesses that now represent society's main engine of economic progress.

From its beginnings in the 19th century, management has stood out as the ungainly stepchild among the professions. The goal of law is justice, the goal of medicine health. Management, in contrast, lacks a clear ideal. Professionals in other fields may fall short of their lofty goals, but at least they have ideals to fall short of. Some argue that managers create wealth for society, but this goal too easily blurs into personal greed, so losing social legitimacy and inspirational power.

Moreover, few managers of large companies are seen to be generating new economic value. In contrast to entrepreneurs who are lionised for creating wealth and institutions *de novo*, managers of ongoing concerns are viewed as mere rentiers, living off their companies' past legacy like dissolute heirs squandering the family fortune.

Bill Gates becomes a cult hero by creating Microsoft, while Michael Eisner wins at best grudging recognition for transforming Disney from a tired theme park operation in the US to a global creative powerhouse.

The spate of recent restructuring, layoffs, and divestment has further eroded confidence in managers. Through repeated bouts of restructuring many managers have elevated efficiency to the corporation's highest goal. While they are a necessary means, operational efficiencies rarely succeed as a goal to attract, impassion and retain motivated employees.


Michael Eisner (left) wins only grudging recognition while Bill Gates is a cult hero

Moreover, employees in contracting companies see few attractive opportunities for professional development. Nor, in an age of layoffs and downsizing, do employees trust companies to manage their careers for them.

The first step in reversing this growing crisis of faith is to recognise that corporations and their managers act as the primary engine of social and economic progress. Progress requires innovative combinations of resources, technologies and knowledge to create new products and services. Innovation requires human will and creativity to impose change on the world.

While individual entrepreneurs often provide the initial creative spark, large organisations are generally necessary to stoke the flame. Apple computers started in a garage, but the Macintosh was produced by an established company, as were the Walkman, synthetic fabrics, and AZT.

Placing societal progress at the heart of the company's vision and purpose is not a public relations gimmick. Rather, the ideal of progress underpins the success of the companies we most admire. The precise vision of progress varies across companies, with different companies aspiring to change the world through technological innovation (Honda, Merck, Sony, 3M), social activism (The Body Shop, Ben & Jerry's), and empowering the underdog (Mary Kay Cosmetics, Ikea, Wal Mart). These visions of progress infuse organisations with a sense of purpose that allows them to attract, motivate, and retain committed employees.

Inertia is the enemy of progress. Past insights ossify into cliches, processes lapse into routines, and commitments become ties that bind companies to the same course of action. Perhaps the most vital and fulfilling element of a manager's job is to prevent inertia. To seize the promise of the future, managers must constantly overcome the burdens of the past.

A manager's role therefore, is not to toil long and hard to make the inevitable happen. His or he job is to make happen what otherwise would not happen.

Companies are the repositorie of a society's stock of physical technological, social and huma resources. It is these resource that enable companies to creat new value. People are the mos precious of these. By inspirin ordinary people to produc extraordinary results management drives social and economi progress. Intel has no monopol on geniuses, nor Canon. Wha has allowed these companies constantly to create new value – t the benefit of their customers employees, shareholders and others – is their ability to inspir their people to create and fulfi their own dreams.

While managers in these companies have been passionat about recruiting the best talen they can find, they have bee even more obsessive about creating an exciting work environment in which their people coul constantly develop their ow knowledge and skills.

By aligning corporate purpos with individuals' passions, management facilitates outstandin collective performance an allows people to pursue their convictions and expand their portfolio of capabilities.

Sumantra Ghoshal is Robert Boumon professor of strategi leadership at London Busines School. Donald Sull is assista professor of strategic and international management at LBS.

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When it comes to time for a change

Peter Marsh continues his series on leading engineering companies

Engineering leaders

Krones is the world's largest maker of bottling systems for industries such as brewing. The German company is typical of the leading Mittelstand-type engineering companies studied for this series: it is family-run, in a stable product area, and has devoted resources to building up marketing and technology skills over its 46-year life.

But all these characteristics failed to prevent the company lurching into difficulties two years ago when profits fell 70 per cent. The company's biggest problem was a lack of management controls at its Brazilian production operation, leading to write-offs of DM100m ($59m) over three years. This has been compounded by a switch to non-returnable bottles among many of the company's main customers which has meant changing many products.

Net income slumped to DM13.2m in 1995, from DM42.7m the year before. The company's shares – traded on the Frankfurt stock exchange, even though control remains with the family of Hermann Kronseder, Krones's founder – slumped by more than two-thirds during the year and have fallen still further since.

In the aftermath, Hermann Kronseder stood down as chairman, and was replaced last year by his son, Volker, an engineer who has worked at Krones since 1981. The Kronseders also wanted fresh management blood and they recruited Hans-Jürgen Thaus, formerly chairman of Schneider Rundfunkwerke, a German technology-based multimedia company specialising in laser display technology.

Thaus, who has a financial background and was previously with Maho, the German machine tool company, took over in January as Krones's deputy chairman.

> **A challenge will be to provide new ideas at the same time as keeping on the right side of the family**

Volker Kronseder points out that most of the company's growth – sales have nearly quadrupled over the past decade to DM1.65bn last year – has been engineering-led with "not enough professionalism" on the side of management and financial controls. This he expects to be provided by Thaus, who says he wants to instil an "economic strategy" that is on the same level as its engineering skills.

A challenge for Thaus will be to provide new ideas at the same time as keeping on the right side of the family members who will continue to run the company – a balancing act that has led to the demise of more than one outsider who has taken over at the top of such businesses.

Change has meant disinvestment for Netzsch, a privately owned leader in ceramic manufacturing machinery. Last year it took the giant step of selling off its core business, the manufacture of production lines for items such as dinner plates.

Jürgen Schaefer, Netzsch's president, says the action was needed because competition from lower cost rivals meant the business was becoming increasingly unprofitabl

Somewhat more incrementa changes have been adopted b Heinz Hermann Thiele, chairma and owner of Knorr-Bremse, company with annual sales DM1.5bn. His company is th world's biggest maker of ra brakes. His main challenge h been costs. While rail-equipme companies want ever more efficient braking systems, due competition prices have fall about a third in two year

One solution for Thiele h been a massive increase in ou sourcing. The company bu parts from low-cost producers eastern Europe as opposed making the components itself its plant in high-cost Munic Such purchases have risen thre fold in the past five years.

FINANCIAL TIMES SURVEY

Friday June 6 1997

BRISTOL

More pragmatic attitudes on all sides have resulted in partnerships and strategies working for the benefit of the city as a whole. Survey written by **Roland Adburgham**

New spirit of co-operation

A climb to the top of the 100 spiral ateps of the John Cabot tower in the centre of Bristol gives an all-embracing view of the past, present and future of the regional capital of the west of England.

The aetting makes the city one of the most fortunate in England: the Cotswolds lie to the north-east; the distant hills of south Wales to the west; and the Mendip Hills can be just glimpsed to the south. Then, below the tower, is the city's waterfront, once the source of its wealth and now its prime real-estate asset.

From these quaysides, a three-masted replica of Cabot'a ship, the Matthew, set sail to Newfoundland last month to recreate his voyage of discovery of 500 years ago. Berthed in a dry dock is Brunel's iron steamship, the SS Great Britain, in its day the world's largest ship.

Imposing red-brick warehouses, once bonded tobacco stores, are a further reminder of the trading past. Adjoining the quays is the post-modern headquarters of Lloyds TSB Bank, symbolising the city's present-day status as a centre of financial services.

The future – or part of it – is also down on the waterfront: 66 acres renamed Harbourside are being transformed into a cultural, entertainment and commercial district to provide Bristol with a much-needed new heart. Harbourside has won £41m of lottery funding for its millennium projects of Science World and Wildscreen World, in a newly-created setting of public spaces.

A decision is imminent on whether the Arts Council will also provide Harbourside with £74m of funding towards a centre for the performing arts. If it does, the city will not only have a world-class concert hall but a landmark building for the 21st century to match its 19th century trademark – Brunel's suspension bridge.

That the Harbourside site lay semi-derelict for two decades illustrates the city's past difficulties in finding a sense of direction. That it is now to be redeveloped with such ambition is a mark of a new spirit in the city.

In part, this reflects confidence about the regional economy – forecasters expect the south-west to continue to be one of the UK's best performing areas. Bristol, the region's economic hub, has recovered well from the recesslon of the early 1990s. But, more than that, there is optimism that the city has the potential to raise its status within the UK and Europe.

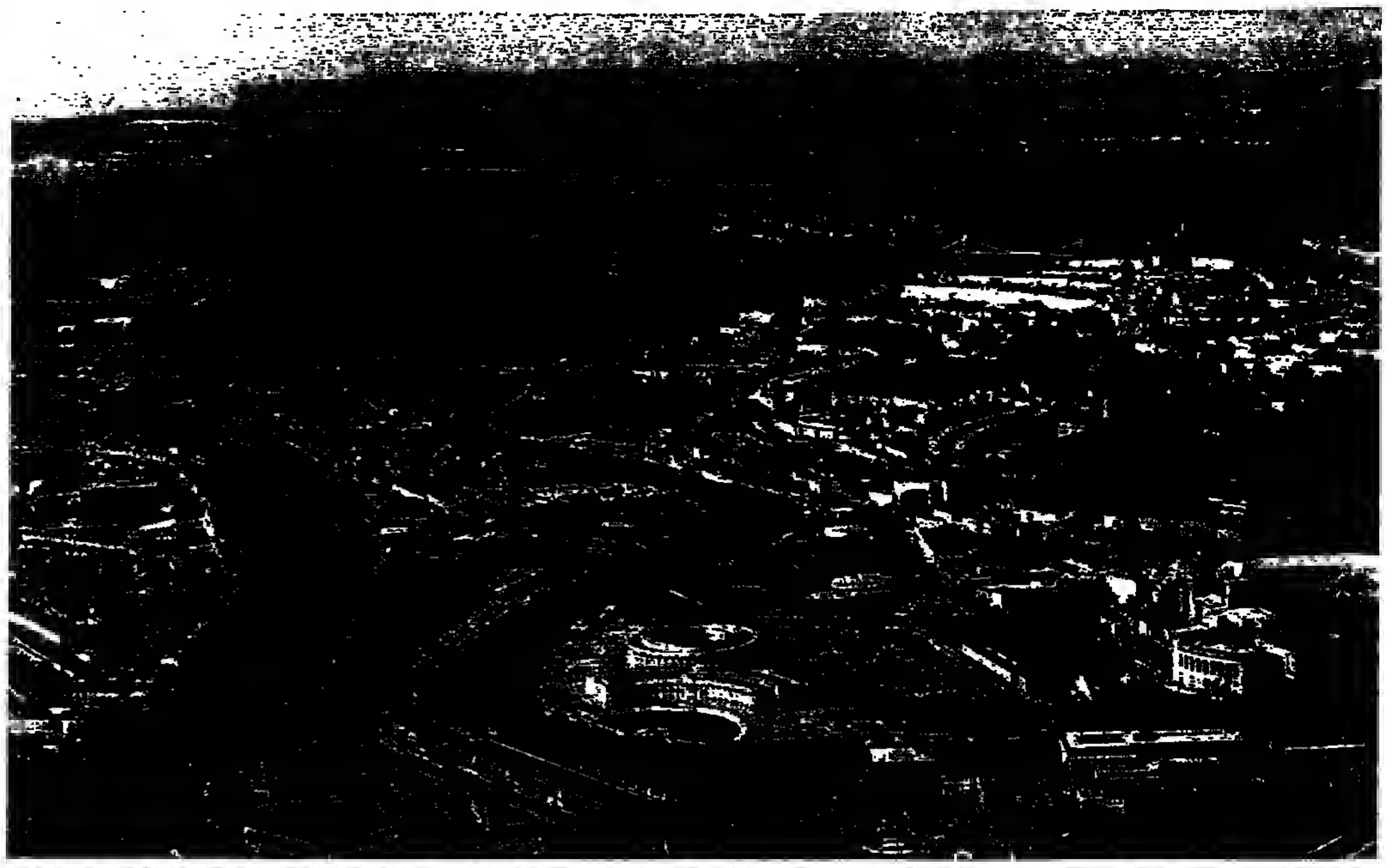
"Bristol has a spring in its step, which lt didn't have three or five years ago," says Mr David Marsh, of the Bristol law firm Burges Salmon. Lambert Smith Hampton, a firm of consultant surveyors, comments: "Bristol looks set to become a dominant regional force again."

It is a city which companies and their staff have always found desirable. With a population of 400,000, it could be regarded as an ideal size – big enough to provide worthwhile careers, but with short commuter journeys and an agreeable lifestyle. Many newcomers, though, found it failed to meet their expectations. It lacks some of the qualities of a leading city, such as top-class sports, entertainment and exhibition facilities. In contrast, its smaller near-neighbour Cardiff is able to host such events as next year's European summit and the 1999 rugby world cup.

Bristol, too, often seemed at odds with itself and suffered from mutual distrust between the Labour-controlled council and Conservative government. The government bypasaed the council by funding urban renewal through the now defunct Bristol Development Corporation. Believing the pnblic and private sectors would not work together, the government also rejected bids for City Challenge funding.

Whoever was to blame for this stand-off, it did make civic leaders realise that the city was losing ground. Business leaders formed the Bristol Initiative (since merged with the chamber of commerce) to stimulate action. The council, in turn, became pragmatic. Partnerships were initiated to address the city's needs and aspirations.

Three years ago, as part of a tentative move towards decentralisation, the Government Office for the South West was based in Bristol. Changed attitudes in the city were acknowledged when English Partnerships, the government's urban regeneration agency, took over the BDC's flagship site of Quay Point, now renamed Temple Quay, and agreed to pump-prime the Harbourside regeneration.



Bristol and its waterfront: Brunel's landmark suspension bridge (in the background) will be matched by a world-class 21st century concert hall if Arts Council funding allows

The millennium projects at Harbourside are being developed under an umbrella partnership called Bristol 2000. In all, the city has formed nearly 20 joint ventures between the public and private sectors. Bristol can claim with some justification that these are setting a model for other cities. Mr John Savage, chief executive of Bristol Chamber of Commerce & Initiative, emphasises that what is important is not the existence of such partnerships, but the fact that they achieve results.

Evidence of this is the Matthew project and last year's festival of the sea, which have promoted the city and encouraged tourism. A further example is the combined efforts to counter the "doughnut" effect, which has threatened to "hollow out" the centre. Traffic, parking and other difficulties caused employers to relocate to business parks north of the city. In-town retailers also face competition from a regional shopping centre, Cribbs Causeway, due to open next year.

In response, joint steps are being taken to revitalise Broadmead, the city's shopping centre, and strategies are being devised to address other problems. There are signs that the city is once again being seen as a desirable place to be. Bristol & West, the former building society taken over by Bank of Ireland, which had considered moving its headquarters away from the centre, now intends to stay in-town. The population has started to rise.

Mr George Micklewright, leader of the council's Labour gronp, says: "A degree of confidence has grown up that we can make things happen." Ms Lucy de Groot, the council's chief executive, agrees: "There's never been a lack of ideas or imagination, but in the past the city has failed to connect ideas with the reality and resources. Now, we have got very focused partnerships."

The council itself has taken on bigger responsibilities, with the abolition last year of Avon county council. The Conservative government replaced Avon and its district councils with four unitary authorities: Bristol, South Gloucestershire, North Somerset, and Bath & North-east Somerset.

Bristol had wanted to extend its historic boundaries to include more of the urban conurbation but that was rejected by the government. This decision raised fears that strategic planning would be hampered. So far, though, there appears a greater willingness to co-operate than in the days of Avon.

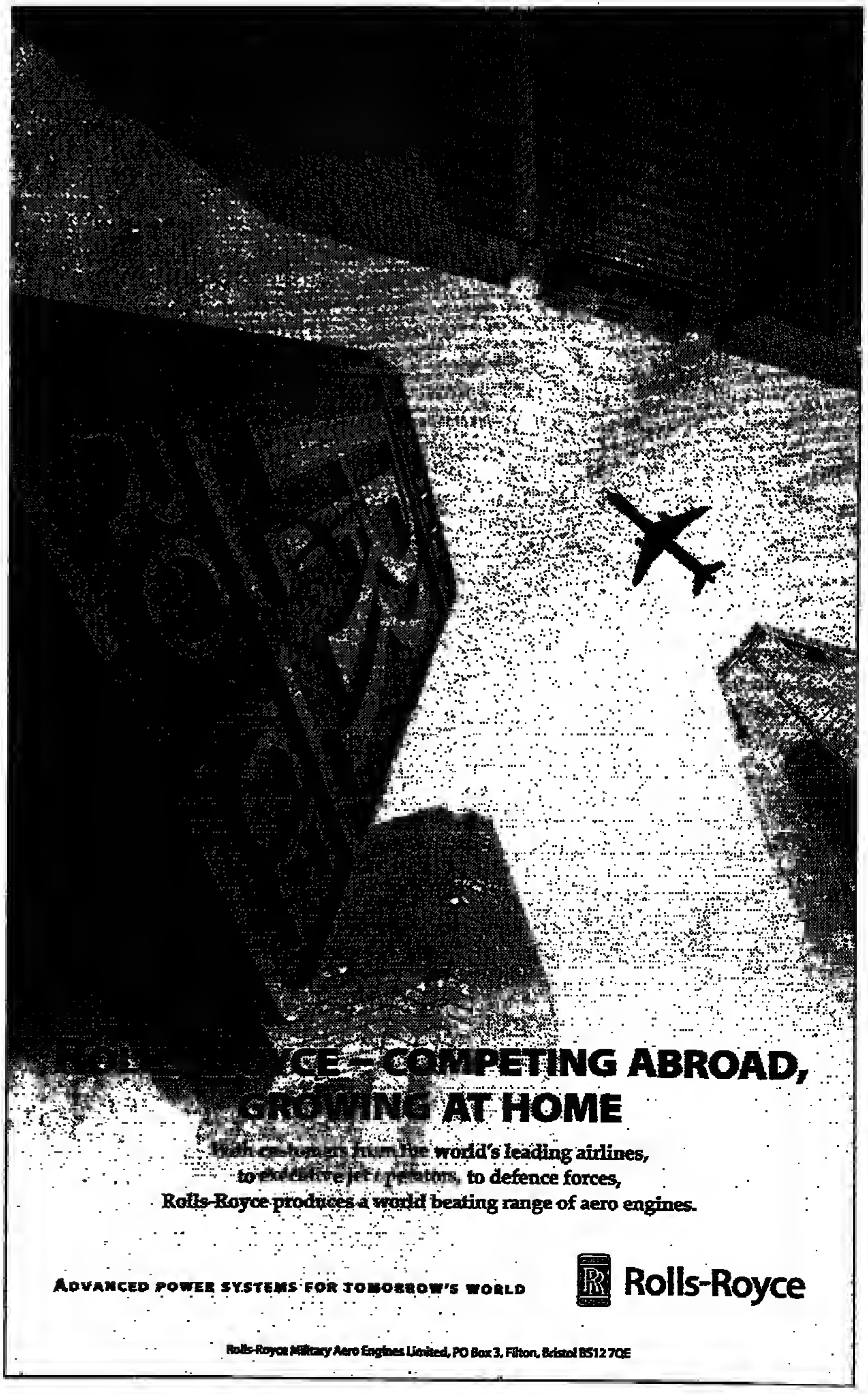
Before the reorganisation, the district council to the north of Bristol encouraged almost unbridled development, as if in competition with the city. But Mr Kevin Chidgey, economic development officer of the area's new council, South Gloncestershire, says: "We have to see ourselves as an integral part of the Bristol economy." Mr Micklewright comments: "There's a growing sense that we have a regional economy and that councils need to work together." The unitary authorities are jointly preparing a plan to achieve sustainable development over the next 15 years.

Like other UK cities, Bristol faces intractable urban problems, such as traffic congestion and housing estates with high unemployment and poor facilities. To avert the creation of a two-tier city – a prosperous layer and one which is permanently impoverished – radical measures are needed but resources are hard to find.

For the current year, the council cut its bndget by £15m to stay within government spending limits. Arguing that it spends less per head than other big English metropolitan areas, the council hopes the Labour government will be sympathetic to more equitable funding.

Whatever the outcome of that, there is agreement on the improved prospects for the city. Mr Mike Henry, president of Bristol Property Agents Association, says: "There really is a tremendously strong feeling of confidence, evidenced by the activity taking place on the ground. Bristol is set fair."

Mr Savage agrees: "I think there is a deep-seated feeling that we are now a city for the 21st century."



INDUSTRY AND REGIONAL ECONOMY

Well placed for expansion

Unemployment has fallen sharply, investment is strong and the future looks good

In terms of industry, Bristol has never been a one-horse town. The variety of its manufacturing and services has helped to ensure that, if one type of business stumbles, another gains ground.

An obvious example, in the past two decades, is that job losses in traditional mainstays such as cigarette manufacturers and defence suppliers have been balanced by rapid growth in financial services. Even though the recession of the early 1990s took its toll, employment in that sector reached 10 per cent of the workforce by 1995 – a higher proportion than in Leeds or Birmingham.

Unemployment, post-recession, has fallen sharply. In the area of Bristol and the surrounding former county of Avon, there were 25,425 unemployed people in April, 5.1 per cent of the workforce – below the national average and 10,000 people fewer than s year before.

Westec, the area's training and enterprise council, reports concerns about hard-to-fill vacancies and the need to upgrade skills. But it comments: "The economy of the Avon area is well-placed. It has many of the advantages of a regional capital – major employers, higher education institutes and so on. It has a strong representation of key growth sectors and a sound base of export-orientated manufacturing firms."

Next week, on June 11 and 12, Bristol Chamber of Commerce & Initiative and Business Link West – the advisory and support service for companies – are organising a business fair to encourage job creation through networking and local sourcing. The chamber's latest quarterly survey found both manufacturing and service sectors performing well. On investment, it reported, "excellent figures reveal the region's entrepreneurs are demonstrating a very positive view of the future".

Over 40 per cent of the survey's respondents had taken on staff this year. An indication of the tightening labour market is that Office Angels, a recruitment consultancy, says blue-chip companies are recruiting heavily in the secretarial market.

Another sign of a resurgence comes from Osborne Clarke, one of Bristol's leading law firms. It reports that last year it was involved in business deals valued at £1.3bn, almost four times the figure for the previous year. It was, the firm reports, "a hectic year of activity across the board, from flotations on the Alternative Investment Market and the official list, to management buyouts, mergers and acquisitions".

In financial services, the city is the home to such businesses as Sun Life, Bristol & West, NatWest Life, Lloyds TSB and Hargreaves Lansdown. Mr John Burke, chief executive of Bristol & West, claims: "The area has possibly the largest concentration of financial service expertise outside London."

Mr Tony Mahoney, manager of HSBC Trade Services in Bristol, says his office in the past year has seen a rapid increase in volumes of business. "People like to deal with a regional centre," he says. "If one were based in London, there wouldn't be the same quality of customer relations and one couldn't develop the business in the same way."

Mr David Marsh, of Burges Salmon, a Bristol law firm which has grown in the past 25 years from six partners to 39, makes a similar point. He says regional professional firms can compete not only on cost, compared with London offices, but also on the "partner attention" given to clients. "We export a large proportion of our services outside the region and need a really high quality of staff," he says. "But we have no difficulty in attracting suitable staff – Bristol is a magnet to young people leaving London."

While the city region would welcome more headquarters operations, it does have such companies as Allied Domecq, whose brands include Harvey's Bristol Cream sherry; Imperial Tobacco, post-demerger from Hanson; Somerfield Stores, the supermarket chain; Matthew Clark, the drinks manufacturer; FirstBus, the transport group; and Strachan & Henshaw, the Weir-owned specialist in materials handling.

There are strengths in aerospace and advanced engineering, with the plants of British Aerospace and Rolls-Royce, and in media-related industries. The city region has Telewest and Orange, the telecom companies; Division, a virtual reality company; CompuAdd, a PC maker; radio stations GWR and Galaxy; and the European research base of Hewlett Packard, the US computer group.

An innovation launched by Hewlett Packard, with Mail Marketing, a direct mail company, is the Bristol Internet Business Park. Aardman Animations, the Oscar-winning creators of Wallace and Gromit, is one of the local businesses to be found on the web site (http://bristol.park.co.uk).

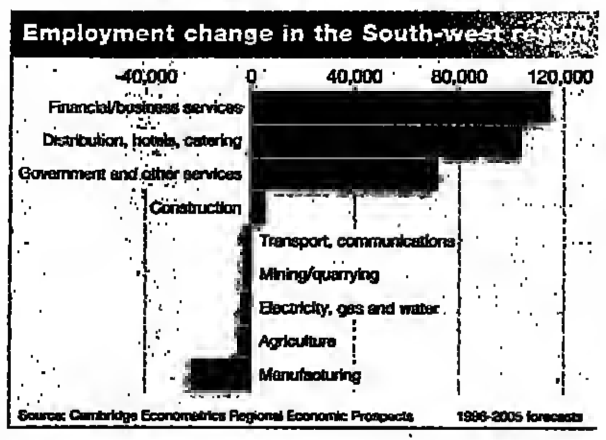
Professor Peter Gripaios, of Plymouth Business School, reports that the west of England's economy is growing quickly but warns the region not to rest on its laurels. He suggests that, as well as its vulnerability to defence cuts, "we are very likely to see a further major shakeout of jobs in insurance, banking and finance right across the region".

Although, he says, Bristol could gain if firms continue to rationalise their provincial operations by concentrating on the regional capital, it could also lose because of the high proportion of its workforce in the sector.

On an optimistic note, he says: "What is encouraging is that important parts of the region and Bristol, in particular, have shown an immense capability to restructure in response to economic shocks over centuries, and so there must be plenty of confidence that they can continue to do so in the future."

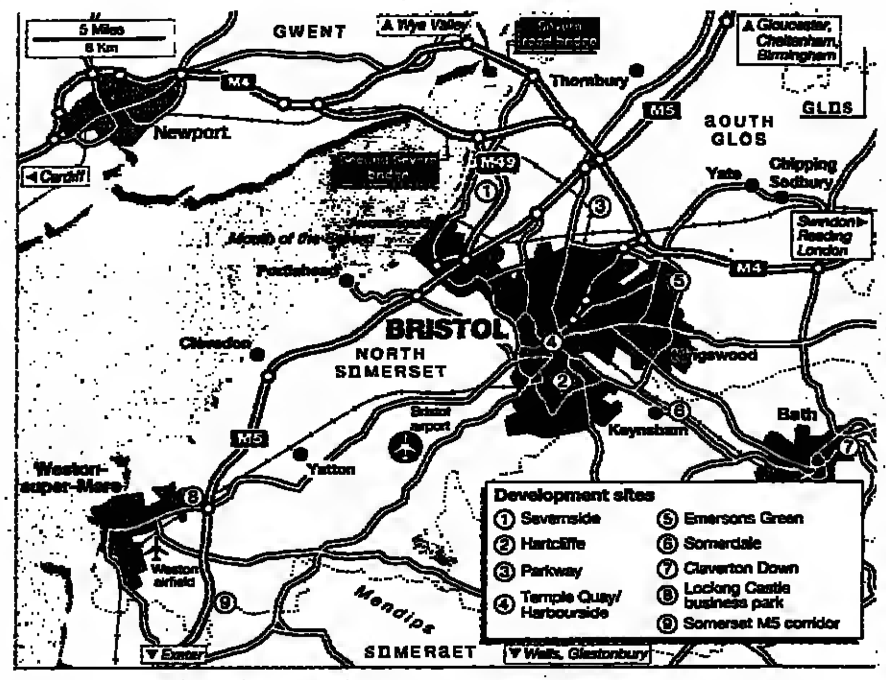
The South West Economy 1997. PEP Research & Consultancy Ltd, 21 Portland Villas, Plymouth PL4 6DX. £95.00.

Employment change in the South-west re



Source: Cambridge Econometrics Regional Economic Prospects 1996-2005 forecasts

INVESTMENT



Bristol population: 400,000

Geography

Bath is 13 miles away from Bristol with a population of 85,000. In the surrounding area - the former county of Avon - there is a total population of about one million and 23,000 businesses. Bristol is 120 miles from London by the M4 motorway and two hours drive time from Heathrow airport.

Local government

Four unitary councils superseded Avon County council and its district councils, which were abolished in 1996. The new authorities are: Bristol; Bath and North-east Somerset; South Gloucestershire; North Somerset

Key addresses

Bristol Chamber of Commerce & Initiative/Business Link West,
16 Clifton Park, Bristol, BS8 3BY.
Tel: 0117 973 7373

West of England Development Agency,
PO Box 10, 5 Greenways Business Park, Bellinger Close, Chippenham
SN15 1ST. Tel: 01249 461010

Western Development Partnership,
Redcliff Quay, 120 Redcliff St, Bristol
BS1 6HU. Tel: 0117 929 8894

West Coast aspirations

The region needs to play to its strengths in attracting jobs and stimulating growth

"'High quality of life and physical environment' is the area's unique selling point and the reason why inward investors are attracted and indigenous companies, remain, prosper and diversify." So states this year's strategy for economic development co-ordinated by the Western Development Partnership, a public and private sector agency to regenerate the former county of Avon, encompassing Bristol, Bath and Weston-super-Mare.

The strategy doesn't sell itself short. It envisages developing the area "as one of the most prosperous and technically advanced in Europe, with a sustainable and diverse economy, providing jobs and the highest quality of life and physical environment".

Inward investment, as well as the nurturing of indigenous companies, is crucial to this. Population growth fuelled by migration from south-east England has caused, on the WDP's calculations, a need for the creation of some 7,500 jobs a year just to maintain employment levels. The dilemma is how to create those jobs without damaging that valuable environment.

During the 1980s, the region found it easy to win relocations from south-east England. Weatherall, a property consultancy, comments: "As the recession broke, places such as Bristol were still complacent as to any need to compete to attract new employers." But narrowing cost differentials slowed relocations and the west performed poorly at winning foreign direct investment.

Since then, Weatherall says: "Attitudes have been changing and there is now greater understanding of the need to compete." The WDP was set up in 1993, followed two years ago by the West of England Development Agency which, with funding from the Department of Trade & Industry, seeks foreign investment for the region's counties.

Efforts are beginning to pay off. Mr Martin Willey, chief executive of the WDP, says: "Inquiry levels are up enormously – some 800 inquiries in the year to March, and there have been 200 companies located or relocated and about 5,000 jobs sustained or created."

The latest proposal is the Labour government's plan to establish in 1999 a regional development agency for the south-west, as in other parts of England, to match the muscle of the Scottish and Welsh development agencies. It is not yet known how this will relate to existing agencies. But there is a need to rationalise the multifarious efforts to stimulate economic growth and investment. A coherent and unified approach is essential if a stronger regional identity is to be promoted.

One handicap for the west is that it cannot offer the grants available in neighbouring south Wales, which helped that country capture the £1.7bn project by LG, the South Korean electronics group. LG will create 6,100 direct jobs and although this increases competition for labour, it also means opportunities for contractors and suppliers.

In this sense, the west could benefit by being part of a notional economic zone straddling the Severn estuary. The west, though, has a different agenda to that of Wales. If it wants to present itself as dynamic and successful, it could be counter-productive to argue it needs grants to persuade companies to relocate there. Nor does it want to create low-value jobs which would only add to the pressures on land and resources.

Instead, the region needs to play to its strengths. It should capitalise on its modern industrial and commercial base, its three universities, the fast access to London and other parts of the UK, and the fact that it has the housing, schools and environment to attract senior staff.

Sights are set on targeting overseas companies which can create high-value jobs in growth sectors in which the region excels, such as aerospace and advanced engineering, telecoms and medical products. City regions such as Seattle and San Francisco are identified as having synergies with the west of England.

Sweb, the regional electricity and gas supplier taken over by Southern Electric of the US in 1995, is supporting such efforts. "If our customers do well, we do well," says Mr Derek Lickorish of Sweb. The utility has just invested £80,000 in producing a CD-Rom, aimed at potential US investors, to promote the south-west as the "gateway to Europe".

An example of the impetus being given to collaboration was a trade mission from Bristol to Seattle in March which was reciprocated last month when a 60-strong delegation came from Washington State.

Mr Peter Connor, chief executive of WEDA, says: "The west of England has gone through a process of self-discovery about the number of international companies already here – we have now identified ove 1,000 and many of these are in key growth sectors. Ou whole strategy is to develop strong alliances with simila locations overseas.

"We have a world-class cluster of high technology skills and the essential components of a high-quality lif and a marvellous strategi location," he says. "We hav the ingredients for thos clusters to grow into a leading region of Europe."

Dr Marion Jackson, edito of the West of England Ec nomic Bulletin, points ou that the region's locatio can be both a strength and weakness. "As a strength th region could grow as th western port of entry to th EU, and build on its similar ties to the west coast of th US.

"But, if the core of ec nomic activity in the E shifts to the east as no states join in, it could be l danger of becoming a rath remote fringe region." Wh is most important, sh stresses, is that "the futu of the region will depend c the quality and productivit of the labour force".

TRANSPORT

Sell off, then take off

The council has decided to privatise the airport to finance expansion plans

A relaunch last week of Bristol airport, renaming it Bristol International Airport, might sound more image than substance. But it shows that an aggressive approach is being taken to counter what business people have long regarded as a serious drawback to the region: its air services.

In a recent survey for the south-west region of the Confederation of British Industry, most executives believed a lack of choice in air transport was holding back the region's competitiveness.

The CBI and KPMG, the accountancy firm, are undertaking a further survey of 750 executives to help move the debate forward, says Ms Sue Boyd, the CBI's regional director.

Many business people were taken aback last year by the Conservative government's refusal to allow British Aerospace to develop its airfield at Filton, north Bristol, as a commercial airport. Filton is close to the motorways and mainline railway in contrast to the existing airport, in the green belt at Lulsgate south of the city.

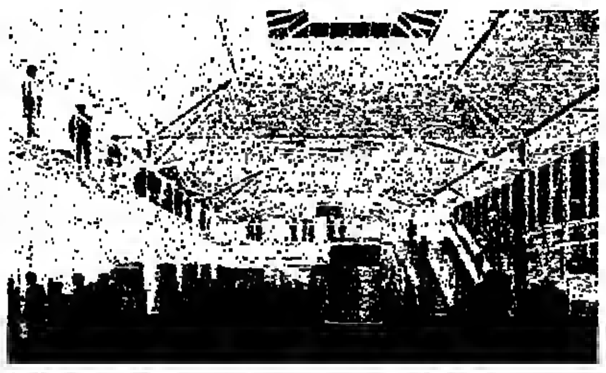
BAe is awaiting the result of a judicial appeal held last month. Meanwhile, Bristol council, which owns the profitable Bristol International, has decided to sell a majority stake to finance the airport's expansion. Passenger traffic grew to nearly 1.5m last year and it is intended to start work this year on a bigger £20m terminal and to upgrade the instrument landing systems. The sale is expected later this year.

Plans to improve services are also going ahead. Brymon Airways, a British Airways subsidiary which uses Bristol as its operational hub, recently committed itself to the airport for the next five years. The airline has increased the frequency of its services, with its busiest routes being Glasgow, Edinburgh and Paris. Earlier this year, it started an experimental service to London's Gatwick. Another airline, Ryanair, has started services to Dublin.

Mr Gareth Kirkwood, Brymon's managing director, says: "We considered our options and looked at the airport's actual and perceived inadequacies. We found a most enlightened response from the management and we have found a common agenda for improvements."

Brymon has a fleet of Dash-8 aircraft but Mr Kirkwood says: "We are looking seriously at the possibility of some routes being served by regional jets." What is not on the agenda, for the forseeable future, are long-haul scheduled services. For those, what Bristol would like is a direct rail link to London's Heathrow.

The council's decision partially to privatise the airport is a sign of how its attitude has changed from its past days of: "If we own it, we keep it." In 1991, it privatised its port at Avonmouth and Portbury. Freed from the shackles of public sector finance, the port has flourished. About £200m of investment has led to annual revenue increasing by 77 per cent to £38m, with volumes rising by 52 per cent to 7m tonnes. The port has become a leading UK import/export terminal for vehicles.



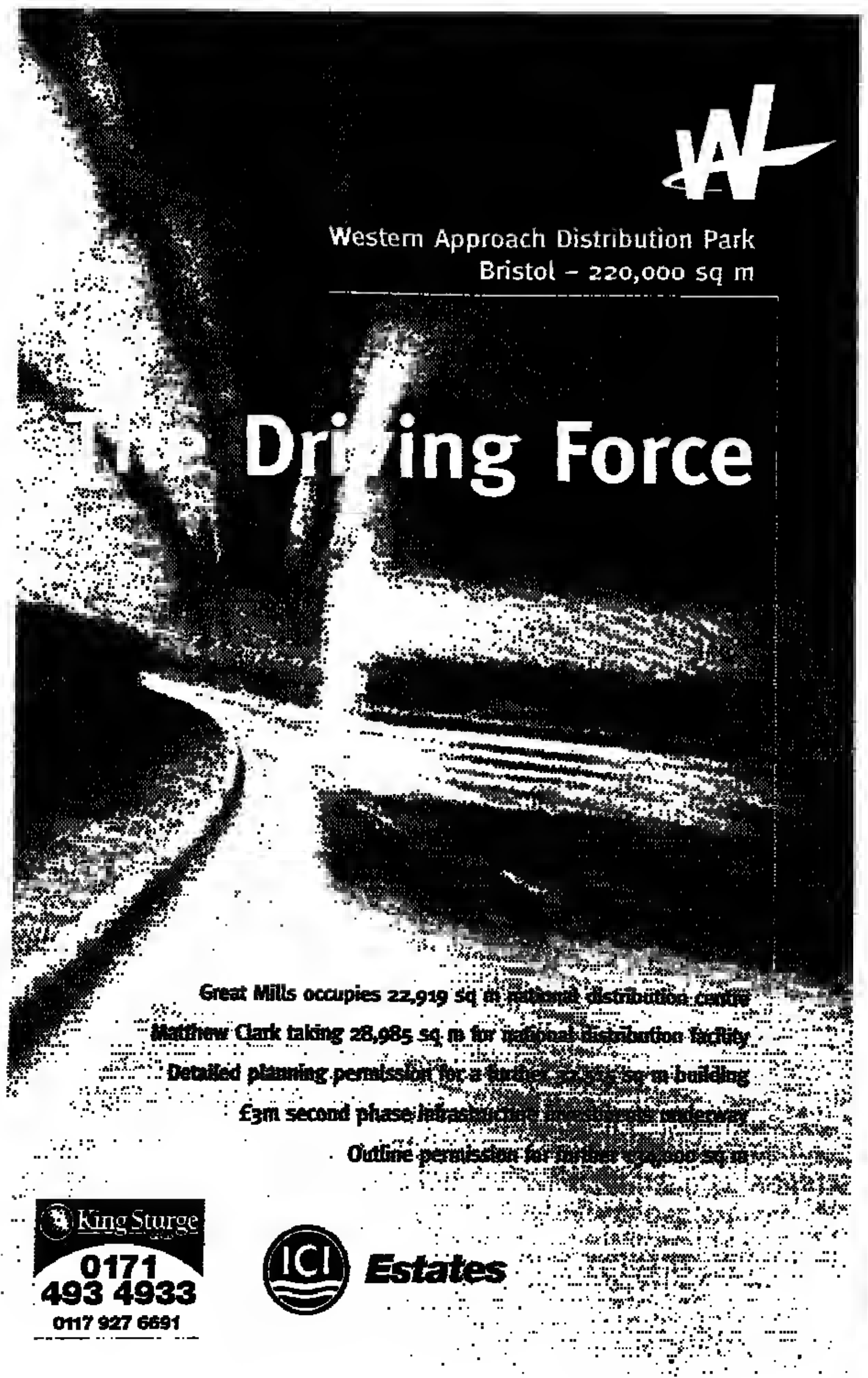
Artist's impression of the new terminal at Bristol airport

Nearby, Burford Western Estates plans to have a multimodal railfreight terminal and hopes to have an agreement with an operator by December.

For rail and road, Bristol has both pluses and minuses. It benefits by having mainline railways and the M4 and M5 motorways, providing fast routes to much of the UK. But roa around the city are co gested, especially to tl north where most rece development has take place.

In the city centre, much the traffic doesn't need to l there, but cannot easi avoid it.

Park and ride schemes a having some impact c reducing car use and the are schemes to improve tr fic management by su means as "intelligent si nage". What is essenti though, is to make publ transport a better altern tive. A consortium is dra ing up plans for a rapid tra sit system which, if materialises, would be o answer.



REGENERATION AT HARBOURSIDE

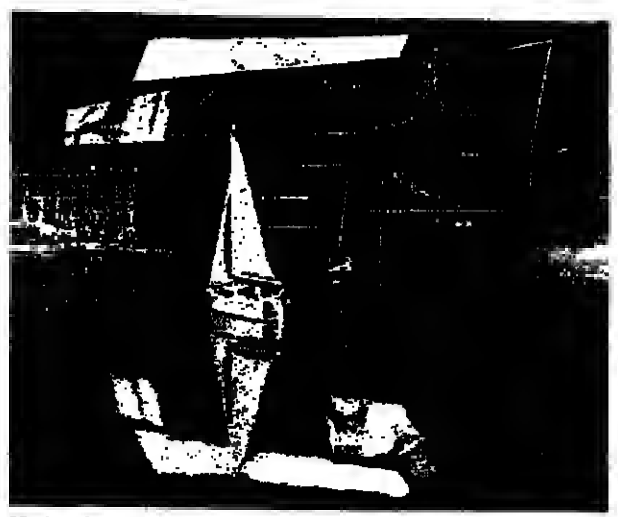
Harmony on the waterfront

Lottery funding has ensured the go-ahead for an entertainment and cultural centre

"Awesome and inspiring – let's make it happen!"

"A development that will at long last give Bristol something to shout about."

Comments in the visitors' book at an exhibition of Bristol's plans to revitalise its waterfront are equal in enthusiasm to those of property agents, who proclaim it to be one of the top 10 sites in Europe for urban regeneration.



Model of the planned centre for the performing arts

Called Harbourside, the project is to create an entirely new centre for culture, education and entertainment, envisaged to be a top destination for visitors from south-west of England and far beyond. Lottery funding has already ensured much of the scheme will happen, while a decision on Arts Council funding is imminent for the spectacular showpiece – a £100m centre for the performing arts.

National interest in Harbourside, and in the cross-sector partnerships which have brought it about, was shown by a conference held this week by the Royal Institution of Chartered Surveyors. The project is expected to attract nearly £400m of investment and create 3,000 permanent jobs. The promoters calculate that, in addition to the expenditure during construction, £20m a year will be generated in the local economy.

In all, the scheme encompasses 66 acres around the floating harbour built in the early 19th century to maintain high water in the city's docks. As commercial shipping declined in the 1960s, so the docklands became semi-derelict.

Its complex ownership hindered efforts to find new uses, although at the end of the 1980s Lloyds Bank took a substantial slice of land for an impressive headquarters.

While the city could be blamed for allowing such a waterfront site to stagnate, the delay has proved fortunate. Lottery funding has made it possible to have a much more imaginative development than would otherwise have been the case.

Four years ago, encouraged by the Bristol Chamber of Commerce & Initiative, the landowners – the city council, British Gas, British Rail, JT Group and Lloyds – were brought together in a Harbourside sponsors' group to draw up plans. A design framework was prepared by Concept Planning Group, a consortium of local architects.

Since then, English Partnerships, the government's regeneration agency, has joined the sponsors' group and is investing £18m in infrastructure work. Mr Ken Johnson, the agency's projects director in Bristol, calls it "one of the most exciting waterfront sites in England by any stretch of the imagination".

A partnership called Bristol 2000, headed by Mr Nicholas Hood, chairman of Wessex Water, has sponsored three elements of the scheme which have won £41m from the Millennium Commission towards their total cost of £86m. These elements are:

- Wildscreen World, designed by Sir Michael Hopkins & Partners, will be a wildlife and environment centre with what is billed to be the world's first "electronic zoo". A large-format cinema will show natural history films – Bristol has an international reputation for their production.
- Science World, designed by Chris Wilkinson Architects. It will be an interactive "hands-on" centre designed to demystify science and technology.
- Landscaped spaces and squares with public art.

A separate bid for £74m has been made to the Arts Council towards the cost of the centre for the performing arts. The centre's board, which is chaired by Mr Louis Sherwood, head of the television company HTV, intends to create the south-west's premier arts venue. It will house a concert hall to seat up to 2,300 people and a 450-seater dance theatre, which would also host jazz, popular music and community events.

The innovative design, by the Stuttgart-based practice of Behnisch & Partners, has been called an "exploding greenhouse", with planes of glass reflecting light, sky and water. Certainly, it would be one of the most eyecatching buildings in the UK.

If Arts Council funding is forthcoming, the centre will open in 2001. "The whole business community is behind this bid," says Mr John Savage, chief executive of the Chamber of Commerce & Initiative. "We will see cultural activity playing a crucial role in the economic renewal of the heart of the city."

In addition, there are plans at Harbourside for 650,000 sq ft of office space and about 750 homes. Developers have been shortlisted for Newfoundland Place, a 5.7 acre site earmarked as a business quarter. A bid for lottery money is also being made for a Millennium Mile, a promenade to stretch from Brunel's Temple Meads station to his ship SS Great Britain.

If all the pieces come together, Bristol can expect to have a city centre to rival any in England.

The three-masted replica of John Cabot's ship, the Matthew, under Clifton suspension bridge after setting sail last month for Newfoundland, recreating Cabot's voyage of discovery 500 years ago

PROPERTY MARKET

Increased demand on all sides

Out of town development has been a catalyst for a city centre retail and office revival

Six miles north-west of central Bristol work is proceeding apace on the 80-acre two-storey mall of what will be one of the UK's largest regional shopping centres.

Cribbs Causeway will have 725,000 sq ft of retail space and parking for more than 7,000 cars, alongside an existing zone of retail warehouses. On a greenfield out-of-town site, it has been one of the most contentious planning issues in the region since first mooted a dozen years ago.

The centre, jointly developed by Prudential Assurance and J. T. Baylis at a cost of about £200m, is due to open next spring. Last week, construction was completed of a 145,000 sq ft Marks & Spencer store. A second store of 230,000 sq ft will be occupied by John Lewis, the department store group. As well, there will be 130 shops and an entertainment complex. Property agents Osmond Tricks says there has been "phenomenal demand". According to Prudential, about 80 per cent of the shops are already pre-let with rentals reaching £250 per sq ft.

Mr Graham Maskell, Prudential's development director, says: "This is the best retail location in the south-west with a superb catchment population." There are estimated to be 4m people living within one hour's drive time.

The main impact, though, is expected to be upon central Bristol. For a long time, it was feared the effect would be entirely negative – especially when John Lewis decided it would, on moving to Cribbs Causeway, close its store in Broadmead, the city's dated shopping centre.

What Cribbs Causeway did have, instead, was a catalytic effect upon the city council, Broadmead's main but hitherto passive landowners, and the private sector. A joint board of management was set up and its efforts to revitalise Broadmead were rewarded when Bentalls, the department store group, chose to buy the John Lewis site and spend heavily on its refurbishment.

Meanwhile, M&S is investing in its own Broadmead store and, last November, the Swedish home furnishing group Ikea struck a deal for a store in central Bristol.

The retail revival in the city is reflected in the office market. Although there is still a big overhang of secondary space, property take-up in the centre outperformed out of town locations last year. "The future of the city as a thriving commercial area would seem to be confirmed," says King Sturge, a property consultancy.

Total take-up of office space in greater Bristol last year was the highest since 1990, up 42 per cent on 1995. Mr Mike Henry, of Chestertons and president of Bristol Property Agents Association, says the market has seen "a real resurgence of confidence" helped by Harbourside and Temple Quay, the city's two big regeneration schemes.

Bristol, he says, has always been a desired destination for companies. That had been tempered with the difficulties of getting sites and of doing business with the council. Now, he says, there is a good dialogue between the property sector and local authority, which is a "positively businesslike approach. There is a very different atmosphere."

Elsewhere in the region, there is further evidence of an upsurge in property activity. A year ago, the £300m second Severn crossing opened, easing road access to south Wales. On the English side, the bridge is stimulating development at Avonmouth and Severnside, near the M4 and M5 motorways.

ICI, the chemicals group, has planning consent there for manufacturing, offices and warehousing on no fewer than 1,500 acres. Named Western Approach, the ICI land is described by Mr Ned Cussen of King Sturge as a "site of national significance".

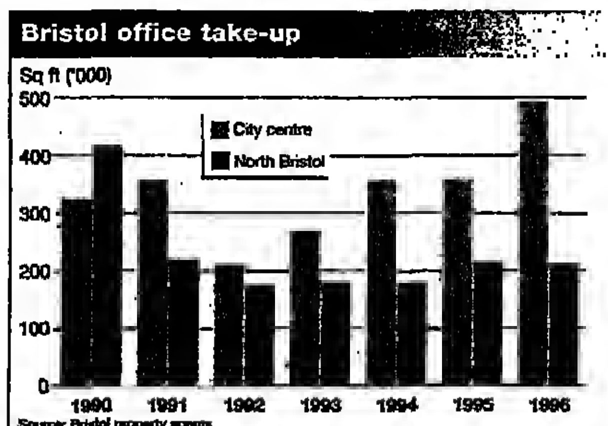
The first phase has seen Great Mills, a stores group, and Matthew Clark, the drinks manufacturer, establish distribution centres. A junction to improve motorway access is expected to open in late 1999.

Nearby at Avonmouth, Burford Western Estates has prepared a master plan for 452 acres acquired from RTZ Estates. Named Cabot Park, it is planned to have a "business villages", distribution park and railfreight terminal. Further south, the M5 Somerset Consortium has been formed to promote development sites down the motorway towards Weston-super-Mare and Taunton.

In north Bristol, the Ministry of Defence last year opened a vast headquarters for its procurement executive, employing 5,000 people. Chesterton, the property consultants, says it has been "bombarded" by inquiries from defence industry suppliers in the UK and overseas who want to be within striking distance.

It was parking difficulties and traffic congestion in central Bristol which helped to stimulate much of the development on the northern fringe. Ironically, the consequence is that those roads are often overloaded – which may persuade more companies to stay in the centre.

Bristol office take-up



Source: Bristol property agents

Complementary development at Temple Quay

Temple Quay, next to Temple Meads railway station in central Bristol, is a scruffy 23-acre site with a troubled past but, it is expected, a much brighter future.

Intended to be a new business quarter, it was the flagship project of the Bristol Development Corporation, which called it Quay Point.

But the BDC, having assembled the site by 1992 with compulsory purchase orders, failed to get development under way before it was itself wound up early last year.

English Partnerships, the government's urban regeneration agency, bought the land, renamed it, and is spending £7m on site and access work. Its plan, with Castlemore Securities acting as development agent, is for up to 800,000 sq ft of headquarters offices plus leisure and retail space. A 10,000 seater arena is a possibility.

Bristol & West, the building society taken over this year by Bank of Ireland, has Temple Quay as its preferred location for a tailor-made headquarters. British Telecom is also considering it for a regional base.

Mr Ken Johnson, English Partnership's project director in Bristol, says Temple Quay will not be an "office ghetto" but have a pleasant environment with restaurants, shops and waterfront walks.

Part of the problems with Quay Point were that the BDC's concept conflicted with the plans for Bristol's other big regeneration site at Harbourside. But English Partnerships, unlike the BDC, is also a partner in Harbourside and Mr Johnson sees it as essential to ensure the two schemes are complementary.

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THE PROPERTY MARKET

Appeal from the heart

Jonathan Wheatley on central São Paulo's ambition

When a bank hires plain-clothes guards to ensure that its employees can walk unmolested from the metro station to the office, you might think this area of the city had no future as a business district.

In the case of the city centre of São Paulo, the balance of opinion is that you would probably be right. The old business district, with its stylish mixture of monolithic turn-of-the-century headquarters buildings and sleek, modernist office towers, has been losing its appeal for the past three decades.

In the 1960s, its crowded streets and lack of building space led many banks and companies to move to Avenida Paulista, until then a peaceful boulevard lined with the mansions of rich merchants on the saddle of a hill overlooking the centre.

As Paulista filled up with office blocks, new building spread further, first to the area surrounding Avenida Faria Lima, at the bottom of the hill away from the centre, and most recently beyond there to the banks of the River Pinheiros in an area known as Berrini or Marginal.

Mr Erich Schumann, a director of Bank of Boston's Brazilian subsidiary, says the cycle is complete and companies are starting to return to the centre. Banco de Boston has had its headquarters there, in an eye-catching, green-glazed building, for 46 years.

It is one of the most active members of an association, Viva Centro, dedicated to revitalising the old business district. The bank's provision of plain-clothes guards, who have rescued employees of other companies from pick-pockets and other less subtle irritants, is one of many initiatives it hopes will attract more businesses. This is a fine ambition but, in the medium term at least, its chances of success appear limited.

If it does fail, it will not be for lack of companies looking for commercial property in São Paulo, which has received a double boost from Brazil's new economic stability. Returning confidence has allowed the resumption of a string of construction projects started in the 1980s and abandoned in the chaos of high inflation. Many new developments are also under way.

At the same time, the city has seen its focus shift from manufacturing to service industries. As Brazil has opened its markets, the need to compete has led many manufacturers to relocate to out-of-town sites. Meanwhile, most multinational companies setting up in Brazil have instinctively chosen São Paulo for their administrative headquarters.

"Multinational companies arriving here are demanding the AA-class office space they are used to overseas," says Mr Paul Weeks of Bolsa de Imóveis do Estado de São Paulo, a property developer. His company is one of a handful of big developers building a huge volume of office space in the Berrini area.

International developers – such as Tishman Speyer, which has formed a joint venture with Método, a Brazilian construction company, and Turner, working with a local developer, Birmann – and architects, such as Skidmore, Owings & Merrill, are also active in the area.

São Paulo offers attractive conditions for developers. The average price of land, at about $3,000 per square metre, is among the lowest of the world's big cities, while the available building space, at about 6m sq m, is quite limited. Projects begun now could reach the market as it begins to run out of space.

Land prices vary widely, however. In Berrini asking prices range between $1,200 and $4,000/sq m, according to Bolsa de Imóveis. Land is cheapest in the centre, at between $500 and $2,500, and most expensive in Paulista, where Bolsa de Imóveis says it varies from $1,200 t $4,800, although the owners of one vacant lot are said t be asking $10,000/sq m.

For companies in the market for AA space, the Berrin region undoubtedly offer the widest choice at the bes price. The area has its disadvantages, however: extrem traffic congestion, occasiona flooding and poor publi transport. This shoul change in the next fe years, if authorities fulfi their promise of bringing th metro system to the area.

For the present, too, it is soulless place to work, wit little in the way of shops an restaurants, while the pr vailing style of architectur in particular some unfort nate attempts to imitat international post-moder ism, may not appeal to all.

Paulista and Faria Lim share similar standards buildings and services. Pa lista is better served by th metro and has an abundan of shops and restaurant although many offices a dated and there is very litt AA-class stock. Faria Lim has poorer transport, prob bly better amenities and ce tainly more modern offices

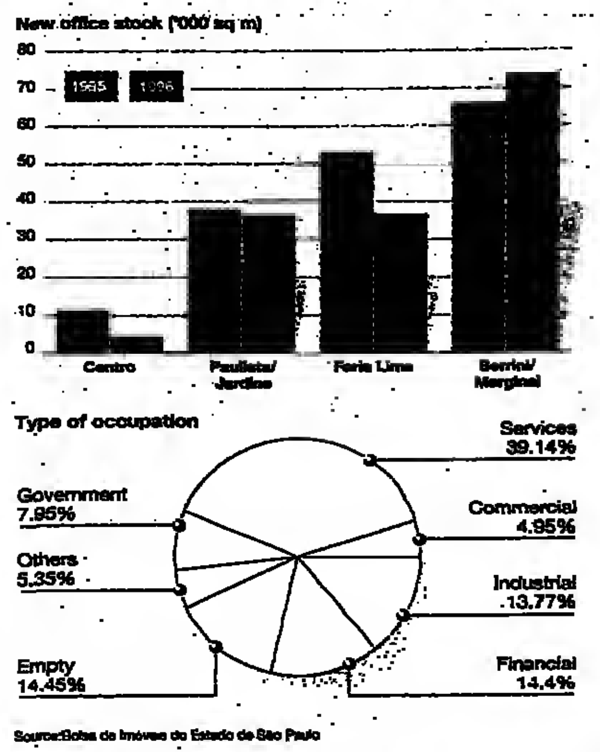
Mr Schumann at Banco Boston insists that the ce tre is a viable alternativ The bank is about to co plete the refurbishment of neighbouring building bought to satisfy a need f 10,000 sq m of new spa The building, refurbishme and fitting, includi imported furniture, c $30m: $3,000/sq m for A class space.

"We have an emotio attachment to the centre, course, but the decision put our new office here w purely an economic one," says. "If we had built a n building in Berrini it wo have cost us 20 per c more."

New building regulati will allow more developm of the centre. However, c ics say that metro and h services, while coping w at present, will not supp much expansion.

"São Paulo needs to le from cities like Lond which yuppified its old wa houses to bring residents before business users, Louisiana, which used sp to revitalise its centre," s Mr Weeks at Bolsa Imóveis. "The centre of Paulo will recover, but in the next 10 or 15 years

São Paulo: attractive to developers



Source: Bolsa de Imoveis do Estado de São Paulo

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Oil and Gas Development Corporation

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1. Oil & Gas Development Corporation (OGDC) a statutory corporation of Pakistan, the Operator of Qadirpur Joint venture Is undartaking a davelopmant project at its Qadirpur Field. The field is located in the north of the Sind province, some 80 KM northeast of Sukkur.
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3. Phase-I (deslgnad for 235 MMscld sales gas) of tha project has been under commissioning; which comprises of a processing plant consisting of two parallel trains, two headers and flow-lines connecting eighl (08) wells. Under Phase-II processing capacity Is to be anhenced by additional 165 MMscfd sales gas and integraled into the existing facility of Phase-I. Since recently the reservoir has started producing H_2S in small quantity (PPM). H_2S removal ia also foreseen. The contract for Phasa-II is expected to be awarded by third quarter/fourth quarter 1997 with an envisaged construction period of 17 to 21 months.
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6. Last date for submission of PQ proposals (PQD) by tha prospective contractors is 15 July, 1997.

Invitation to Tender

Provision of Internal Audit Services

The City Council intends to seek tenders from suitably qualified firms for provision of the Internal Audit Service. The contract will start on 1 April 1998 and will run for 5 or 7 years.

Firms wishing to be considered for the tender shortlists are invited to submit their expressions of interest by 12 noon on 11 July 1997 to: Mr Roger Allard, Contracts and Audit Controller, Chief Executive's Department, City Hall, 64 Victoria Street, London SW1E 6QP. Tel no. 0171 641 2326.

Firms should include the following information:

1. Company name, registration number, trading address and registered office (if a subsidiary company, also the name and address of the parent company).
2. Description of the company and its main business areas.
3. Names and addresses of three referees from whom references may be sought regarding the company's experience and ability to undertake relevant internal audit work.
4. A statement showing a list of other relevant internal audit work, carried out over the last three years including contract dates, values and client names.
5. A set of audited accounts for the last three years (if a subsidiary company, submit these accounts as well as consolidated accounts). For partnerships, a statement of their accounts for the last 3 years.
6. Name and details of the manager who would be responsible for the tender submission and who, if successful, would be the contract manager.
7. Details of the quality assurance measures and self monitoring procedures to be used in delivery of the services.
8. Any other relevant information regarding the firm's ability and experience to carry out the internal audit service.

From 9 June 1997 to 11 July 1997 inclusive, except Saturdays and Sundays and Bank Holidays, any person may inspect the detailed specification and contract documentation for this service free of charge on application to the reception at One Stop Services, City Hall, 62 Victoria Street, London SW1E 6QP. During this same period any person will be supplied with a copy of the detailed specification and contract documentation on request to Roger Allard, and on payment of the sum of £150. This sum will be returned to firms who are invited to tender and submit a bona fide tender.

The City Council intends to invite tenders on or about 12 September 1997 with an anticipated closing date of 14 November 1997.

The City Council is also tendering the Parking Permit (Investigations) Contract and firms expressing an interest in the internal audit contract are also invited to express an interest in this contract by contacting Steve Quiller on 0171 641 1897 for details and responding in writing to him by 4 July 1997.

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A new lease of life for Garsington

As the season opens, **Andrew Clark** reports on a home-grown opera company

The overhead canopy is in place, the teacups cleared from the loggia, the wine cellar now doubles as a changing room. But there is no longer anything makeshift about Garsington Opera, the summer festival run by Leonard Ingrams in the gardens of his Oxfordshire home. In February the local planning authority finally gave the festival a long-term licence, over-ruling objections from village neighbours and ending the precarious year-to-year existence under which Ingrams had been forced to operate.

On Monday, Garsington Opera's ninth season opens with Haydn's little-known *Le pescatrici* (The Fisher Women). Moments before curtain-up, Ingrams will give his customary beginning-of-term speech, thanking his black-tie audience for their support and asking them kindly to leave the grounds by 11pm. After the performance, a select few will be invited to join Ingrams, his wife and the cast for a glass of champagne in the 17th-century manor house. There will be ample cause for celebration: the Ingrams' home-grown opera company is at last a permanent fixture.

Garsington Opera's new lease of life means more than respite from village feuds and legal bills, which landed the company with a £150,000 deficit. It represents a challenge: Ingrams must win over critics who have accused him of cosy amateurism. That should not be difficult. For the first time since he started presenting opera in 1989, Ingrams can make long-term plans, offering contracts to casts and production teams before they get snapped up elsewhere. The quality of most Garsington productions was already more than acceptable. That standard can now be consolidated.

Ingrams, 55, is an unlikely impresario. Although his involvement in music extends back to his days as a violinist in the National Youth Orchestra, it is as a financier that he has made his way in the world. He worked for Barings overseas before returning to the UK in 1982 as a director of Robert Fleming. That was when he bought Garsington Manor, renowned for its Bloomsbury associations and its gardens. Spurred by the success of some private concerts, Ingrams hosted the UK stage premiere of Haydn's *Orlando paladino* in 1990. The following summer, Garsington mounted two productions of its own. Despite its rapid growth, there is only one full-time employee, the £950,000 budget is much smaller than other opera festivals and the auditorium seats a mere 400. Since retiring from Flemings last year, Ingrams has been working for the Arab Banking Corporation in Bahrain. Operatic forward-planning, auditions and meetings with sponsors have to be fitted into visits home, and he is absent for most of the rehearsal period.

This means putting enormous trust in the conductors and producers he has chosen – a situation that has led to occasional *faux-pas*, which an omnipresent artistic director might have foreseen. But calculated risks seem part of Garsington's ethos. Over the years it has introduced some excellent young singers to UK audiences, and its run of British stage premieres continues later this month with Strauss's *Die aegyptische Helena*.

Garsington could not contemplate such rarities without a bedrock of audience support. With a Friends' waiting list of seven years, the season regularly sells out by mid-April; tickets (£70-£90) account for 60 per cent of turnover. The rest comes from the Friends organisation and sponsors, many of whom find Garsington's upmarket atmosphere and *al fresco* intimacy preferable to the crowds at "new" Glyndebourne.

Ingrams has ruled out a permanent theatre – it would be hard to improve on the magical midsummer dusk which informs Garsington's performances – and anything longer than a three-week festival would harm the gardens. However, there are plans to provide proper dressing rooms and improve the seating. Next summer Garsington will stage its first Verdi, *Falstaff*, alongside Mozart's *Lucio Silla* and Rossini's *La pietra della paragone*. Once the deficit is reduced, Ingrams may be tempted to commission a new opera.

For the next three weeks, Ingrams has more immediate preoccupations, as cast, chorus, stagehands and musicians traipse through the house from dawn till past midnight. *Die aegyptische Helena* will appeal to connoisseurs: with Elgar Howarth conducting a cast led by Susan Bullock and Helen Field, the musical quality seems guaranteed – though the choice of David Fielding as director-designer is tempting fortune. A young Spanish mezzo, Silvia Tro Santafe, makes her UK debut as Despina in Ian Judge's staging of *Cosi fan tutte*, an obvious choice for society opera buffs and corporate entertainers. And Wasfi Kani, an Ingrams protégée, returns to conduct *Le pescatrici*, a *dramma giocoso* with a plot similar to *Cosi*.

Unlike previous operas in its Haydn series, Garsington has had to dig around to come up with a complete score: the vocal and orchestral parts were destroyed in a fire at Eszterháza in 1779, nine years after the opera was premiered there, and only three-quarters of Haydn's autograph survives. Instead of using the modern reconstruction by H.C. Robbins Landon, Garsington has drawn up its own edition with the help of British musicologist Charles Hattrell. His solution, using the original libretto, has been to fill the missing arias with music from other Haydn works. But Ingrams is chuffed that Garsington's audiences will be the first in two centuries to hear the recently re-discovered overture.

In contrast to last summer, when the planning inquiry cast a cloud, Ingrams is beginning his 1997 season in decidedly upbeat mood. He may not be an English eccentric in the mould of Sir John Christie, but he finds the comparison with Glyndebourne flattering. He says that "like the Christies, we're a musical family that wanted to have opera at home – and it *is* nice to see people enjoying themselves. We don't have a proper stage here, but we like to think we're serious." Most visitors to Garsington are inclined to agree.

Garsington (01865-361636) features in the FT international guide to summer festivals, published in tomorrow's paper.

Sponsorship/Antony Thorncroft

Money goes up in smoke

No one in government seems to have appreciated that the proposed ban on tobacco advertising and promotion could affect the arts by reducing arts sponsorship. In practice the arts have shaken off most of their ties with tobacco. But the industry still provides the arts with around £1.5m a year, mainly through corporate membership schemes and advertising in programmes. In fact, when the Association for Business Sponsorship of the Arts was founded in the late 1970s the tobacco companies were prime movers.

Over the years, however, the arts have become a non-smoking zone, and when institutions such as the National Portrait Gallery banned smoking from its premises it also said goodbye to tobacco sponsors: John Player had been the first backer of the NPG's annual portrait prize.

Now *only* in Ulster is tobacco sponsorship important. The Ulster Orchestra relies heavily on Gallaher; but would Gallaher be banned from supporting the orchestra under any new law? There is no "Gallaher" brand. And how would the legislation affect conglomerates like BATS, which supports Glyndebourne and the Royal Academy, but at a corporate level? And what about Cartier, which has a cigarette brand but is much more besides; and Dunhill, which links its arts sponsorship to luxury goods rather than tobacco? The feeling is that this legislation has been badly thought through.

ABSA has issued a strong statement against the move. Its main concern is not the immediate danger of arts companies losing minimal tobacco sponsorship, but the wider implications. If the passion for censorship extended to alcohol the arts would be in real trouble.

★

ABSA showed its support for good sponsorship whatever the orientation of the sponsor by nominating Gallaher to the short-list for the long-term development prize in the annual ABSA awards, which are sponsored by the *FT*. Gallaher has contributed over £1m over 17 years to the Ulster Orchestra Society.

The FT/ABSA Awards, to be presented at Shakespeare's Globe on Bankside on June 30, recognise the most impressive sponsorships of the past 12 months. There were well over 450 nominations for the dozen awards, and winning a prize is important: it silences the philistines on the corporate board who think arts sponsorship is a waste of time and money.

Along with big committed companies on the short-list, like Allied Domecq, Sainsbury, Guinness, Manchester Airport, IBM, and the Royal Bank of Scotland, there are the unexpected names of the new converts.

This year the prize for the most imaginative first-time sponsor matches two large companies against two tiny operations. Orange makes the list for its women-only book prize, which has aroused great controversy, and Visa International, which put £200,000 behind the London Film Festival, gets quick recognition. They are up against two very different first-time sponsors, the picture-frame dealer Paul Mitchell, who seized the chance to back an exhibition of frames through the ages organised by the National Portrait Gallery, and the Wyndham House Residential Care Home, which spent £14,000 over two years to enable the Green Candle Company, all of whose performers are over 45, hold workshops in its home as part of the King's Lynn festival.

Another category in which the big, Ernst & Young, competes with the small, Coats Crafts UK and The Irish News, comes in the single project category. Ernst & Young invested around £1m in the Cézanne exhibition at the Tate, Coats Crafts nearer £10,000 in helping "The Art of the Stitch" at the Embroiderer's Guild. The Irish News put money behind a production of *The Merchant of Venice* at the Lyric Theatre, Belfast.

Sponsorship by small businesses always attracts keen competition, and this year an undertaker, Bainbridge & Barnes, which sponsored a concert at the Ryedale festival, is up against Ensors Chartered Accountants, which enabled Wingfield Arts in Suffolk to tour villages with the London Mozart Players; estate agents Gordon & Keenes backed the local 198 Gallery in Brixton; and Risk Publications, which supported the Wigmore Hall.

There are only two short-listed companies in the youth sponsorship section: Flik-Flak, the childrens' watch company, for helping the Polka Theatre for Children; and SEMA Group, the information technology company which aided the Royal Northern College of Music.

With the new government anxious to encourage business support for the arts, the FT/ABSA awards have rarely been more important. After a period in which the marketing men took over, the traditional themes of business investing in the community are back in favour. The awards reflect such imperatives.

★

BMW(GB) is returning to the South Bank with the sponsorship of *Objects of Desire: the Modern Still Life*, which opens at the Hayward Gallery on October 9. This exhibition of 20th-century still lifes, ranging from Cézanne to Andy Warhol, is currently at MOMA in New York. The sponsorship is worth around £150,000. A BMW Z3 on the concourse will be a particularly desirable exhibit.

Another wing of BMW, Financial Services (GB), is committing £300,000 over three years to the Serpentine Gallery in Hyde Park. Its first show is Pietro Manzoni in November. It is also supporting an exhibition featuring the work of five contemporary Scottish and five German artists at the Scottish National Gallery.

Opera in Berlin/Paul Moor

That cunning old countess

Berlin's three opera houses provide superior fare as a matter of course – but a recent incident involving one drunken fool showed how swiftly all that can be pushed into the background. During the Deutsche Oper's visit to Israel, its principal double-bass signed a Tel Aviv bar chit "Adolf Hitler". He then tried to make everything all right by explaining it was a joke. This incident not only disfigured the company's visit, but did much to destroy at least a decade's efforts to use music's international language to cultivate friendship between Israel and post-Hitler Germany.

Setting aside that calamity, Berlin has had much to make Germany's future capital operatically alluring. One of the chief attractions has been the Komische Oper's new production of Tchaikovsky's *The Queen of Spades*, brilliantly conducted by Yakov Kreizberg. Harry Kupfer played less fast-and-loose with the libretto than usual, and concentrated on squeezing all possible suspense out of the absurd mathematical premise that lies at the heart of Pushkin's plot. Designer Hans Schavernoch turned the stage into one huge sloping card table, which broke up into segments, making choral entrances and exits feasible in a matter of seconds. Eleonore Kleiber's black-and-white costumes emphasised pre-revolutionary Russian elegance.

Dramatically as well as vocally, Sabine Passow stood out as Lisa, but Anny Schlemm, a veteran of this company's glory days under Walter Felsenstein, effortlessly commanded the stage with her every entrance as the cunning old Countess. Returning from the ball, the way she whipped off her wig and irascibly flung it to the floor in front of her cluster of handmaidens deftly summed up her personality in one fleeting moment. Another company veteran, Günter Neumann, seemed to be suffering a vocal off-night; even so, he made an unusually credible Hermann.

Top honours went to Kreizberg on the podium. Repeatedly he made familiar transitional passages sound downright exciting. His already secure reputation in this demanding metropolis grows steadily and rapidly; the Bournemouth Symphony Orchestra can congratulate itself on having landed him as music director.

Like Kreizberg at the Komische Oper, Zubin Mehta emerged as the star of the Staatsoper's new staging of *Der Freischütz*, Weber's melodious spook story with the untranslatable title. But even Mehta had serious competition from an exceptionally strong cast. The clear and true voices of Carola Höhn as Agathe and Dorothea Röschmann as Aennchen complemented each other to pleasing effect. And in a successful Staatsoper debut, Kim Begley – singing Max for the first time – held his own against the powerful Kaspar of Falk Struckmann, whose nimble dancing turned his drinking song into something more than just vocally memorable.

Poor Begley had his hands full in Nikolaus Lehnhoff's wilful *Grand Guignol* transformation of the second act. Instead of Max merely abetting Samiel in pouring the lead for the seven fateful bullets, Lehnhoff condemned him to stab a huge boar and then brandish aloft a succession of bloody chunks of offal. Another bit of Lehnhoff whimsy involved the transvestite casting of a woman (Gerlinde Kempendorff) as a blood-curdling Samiel.

During the Deutsche Oper's ill-starred goodwill tour to Israel, its Berlin theatre played host to Bulgaria's Plovdiv Opera in Verdi's *Ernani*, Borodin's *Prince Igor* and *Peter the Great* by Russian composer Andrei Petrov. Apart from sets and costumes, standards fell so far short of what Berlin opera-goers expect that one had to wonder why the Plovdiv company had been invited.

INTERNATIONAL ARTS GUIDE

■ AMSTERDAM

POP

Paradiso Tel: 31-20-6264521

● David Bowie: performance by the English singer; Jun 10

■ BERLIN

EXHIBITION

Museum für Ostasiatische Kunst Tel: 49-30-8301382

● Haiga und Haiku: display of selected sketches and poems by Takebe Sôchô from the collection of Shôzaburô Masuda, Tokyo; to Jul 20

■ FRANKFURT

CONCERT

Alte Oper Tel: 49-69-1340400

● Deutches Symphonie Orkester Berlin: with conductor Vladimir Ashkenazy in works by Chopin and Korngold; Jun 8

EXHIBITION

Schirn Kunsthalle Tel: 49-69-2998820

● Pietro Donzelli: display of work by the French photographer, featuring 130 documentary and reportage pieces from the 1950s and 1960s, shot in Italy and including the series "Land Without Shadow"; from Jun 10 to Jul 6

■ HONG KONG

CONCERT

Concert Hall/City Hall Tel: 852-229212888

● Evelyn Glennie: performance by the percussionist, accompanied by the pianist Philip Smith. The programme includes works by Basta, Zivkovic, Abe, Psathas, Alvarez, Glennie and Creston; Jun 9

EXHIBITION

University Museum and Art Gallery Tel: 852-28592114

● Paintings and Prints by Aurelie Nemours: display featuring 46 abstract silkscreen prints and four paintings by the French artist, recently honoured with the Grand Prix de Peinture; to Jun 14

■ LEIPZIG

CONCERT

Gewandhaus zu Leipzig Tel: 49-341-12700

● Symphony No.5: by Mahler. Conducted by Daniel Barenboim, performed by the Chicago Symphony Orchestra; Jun 10

■ LISBON

EXHIBITION

Centro Cultural de Belém Tel: 351-1-3612400

● Paula Rego: retrospective of work by the British artist, featuring figurative work from the 1980s and 1990s, as well as a substantial selection of studies, sketches and preparatory and final drawings; to Aug 18

■ LONDON

EXHIBITION

National Portrait Gallery Tel: 44-171-3060055

● Pursuit of Beauty: exhibition examining the eternal quest for beauty by both sexes and changing notions of what beauty actually is. The display has interactive elements, including the opportunity for visitors to try on top hats, wigs, corsets and doublets. A number of portraits from the NPG's collection will be exhibited; to Sep 7

Tate Gallery Tel: 44-171-8878000

● Luciano Fabro: as part of the Gallery's annual sculpture exhibition, the renowned Italian artist has created a dramatic new work comprising of two columns, one in white and one in black marble, one falling and one standing; representing the sun and the moon respectively and forming a spectacular link with the classical architecture of the Duveen Gallery, in which the piece is installed; to Jun 15

■ LYON

EXHIBITION

Musée des Beaux-Arts de Lyon Tel: 33-4-72 10 17 40

● Un engagement pour l'Art moderne: Hommage à René Deroudille: display paying tribute to the 1930s art critic and exhibitor, featuring 91 paintings, drawings and photographs by artists including Bourrat, Debré, Dereux, Vedova and Viallat; to Aug 17

■ MADRID

EXHIBITION

Fundación la Caixa Tel: 34-1-4354833

● Madrid-Barcelona, 1930-1936. A chronicle of two Cities: exhibition examining the political and cultural histories of the two Spanish cities during the country's civil war. Artists represented include Picasso, Miró, Dalí and Gargallo; to Jul 27

Museo Cerralbo Tel: 34-1-5473646

● Relojes de un palacio: exhibition featuring 60 timepieces from the Museum's collection, dating from the 17th century to the present day; to Jul 20

■ NEW YORK

EXHIBITION

International Center of Photography Tel: 1-212-860-1777

● Helen Levitt: Crosstown: retrospective of work by the American photographer, featuring 75 images, ranging from children at play in the 1940s to colour pieces from the 1970s and her recent black and white work, all portraying a vibrant city where life is lived out on the streets; to Sep 7

The Metropolitan Museum of Art Tel: 1-212-879-5500

● Indian Court Painting: 16th-19th Century: exhibition of paintings drawn primarily from the Museum's own collection tracing the various traditions of Indian painting over four centuries. The display is one of three this year at the Metropolitan to mark the 50th anniversary of India's Independence; to Jul 6

THEATRE

Marquis Theatre Tel: 1-212-307-4100

● Victor/Victoria: by Edwards and Mancini. Directed by Blake Edwards. The cast includes Raquel Welsh (prov end date); to Dec 31

■ PARIS

CONCERT

Théâtre du Châtelet Tel: 33-1 42 33 00 00

● Orchestra of the Age of Enlightenment: with conductor Sir Simon Rattle and clarinettist Anthony Pay perform works by Schubert, Mozart and Haydn. Part of the Schubert-Bicentennary; Jun 10

EXHIBITION

Musée Carnavalet Tel: 33-1 42 72 21 13

● Noureiev: exhibition devoted to dancer/choreographer Rudolf Nureyev. The display, which draws upon Nureyev's personal collection, features costumes, posters, photographs, personal belongings - including furniture, paintings and prints - and other objects painting a picture of his artistic and private life; to Jul 27

Musée Picasso Tel: 33-1 42 71 70 84

● Picasso, Les Sources Photographiques: 1900-1928: the third of a cycle of exhibitions illustrating the influence of photography on Picasso's work, covering the painter's Cubist and Surrealist periods. A number of paintings and graphic works are on display, including 'La Famille Soler' (1903) and 'La Baigneuse au Ballon' (1929); to Jun 9

■ ROME

EXHIBITION

Museo di Palazzo Venezia Tel: 39-6-6798865

● La festa a Roma: exhibition recreating sites of the Roman Feste, held in the Italian capital from Renaissance times to the late 1800s. Theatrical effects and new technologies are employed to recreate sites and a number of paintings, prints, designs and processional objects tell the history of the "ephemeral baroque"; to Sep 15

■ VIENNA

CONCERT

Musikverein Tel: 43-1-5058681

● Wiener Philharmoniker: with conductor Riccardo Chailly, soprano Eva Urbanova, tenor Vladimir Bogachov, baritone Peter Mikulas and organist Thomas Trotter perform works by Schumann and Janacek; Jun 8

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Financial Times Business Tonight

Philip Stephens

With the fat cats

The well-paid directors of Camelot are less hypocritical than the sanctimonious ministers of the new government

I am not sure which is the more offensive: the sight of the directors of Camelot, the operator of Britain's national lottery, filling their boots with cash; or the sanctimonious posturing of the New Labour government as it accuses them of despoiling the noble purpose of state-sponsored gambling.

No, let me correct that. Loath as I am to say it, there is only one side to choose in the latest spat between moralising ministers and avaricious executives. Count me in with the Camelot fat cats. In this swamp of hypocrisy, they at least admit they are in it for the money.

The only losers in the lottery are the gullible punters. Their pockets are emptied by two scams, one large and deliberate, the other relatively small and, in part at least, accidental. The first is perpetrated by the government. The second can be laid at the door of Camelot.

It is this minor infraction which has been making the headlines. The pay of Camelot directors has just jumped by more than 40 per cent. Briefly, the company's profits, higher than expected during its first two years of operation, have generated lottery-style bonuses for directors.

This was too much for Chris Smith, the saintly heritage secretary. In the manner of a Presbyterian prelate, he summoned the culprits to his plush new Whitehall office to demand they donate the cash to charity. His ultimatum expires today.

So far Camelot has taken the not unreasonable view that ministers are not there to decide boardroom pay. Its three leading executives may resign rather than bow to Mr Smith's diktat. All are assured of equally lucrative posts elsewhere. If they carry through the threat, Mr Smith will be left with copious quantities of egg on his face.

Whatever the outcome, though, we have caught an illuminating glimpse of the rougher edges of Tony Blair's administration. It has not yet stepped out of the mindset of opposition. In government, posturing carries a cost.

Lest there be any misunderstanding, I agree it was not particularly smart of these directors to take huge pay rises just as the lottery's payouts to good causes had started to fall. Efficient though Camelot may be (it has produced an avalanche of material to prove how, from a standing start three years ago, its lottery gives better value for money than any found elsewhere), it is a monopoly. By and large, monopolies are licences to print money.

Flicking through the latest annual report, it is not blindingly obvious why Tim Holley, the chief executive, merits a £200,000 rise, taking his remuneration to £590,000. To catch sight of that sort of money, the poor saps who pay his wages have nothing but the 14m-to-one shot of winning the jackpot.

But there is nothing novel in executives paying themselves distastefully large sums of money. Britain's shareholders do not keep a tight enough rein on the people who run their companies. And one of the least pleasant legacies of the 1980s is the grab-it-when-you-can shamelessness of many executives.

> Tony Blair's administration has not yet stepped out of the mindset of opposition. In government, posturing carries a cost

These are not matters to be settled by ministerial grandstanding. They call instead for stronger corporate governance, backed up by statute. If ministers are still unhappy, there is a simple expedient – a higher rate of income tax for the wealthiest. The snag is Mr Blair, business's best friend, has ruled that one out.

The sweep of this row goes well beyond Camelot. It could condition the whole relationship between government and the private sector. Mr Blair has signed up to the market economy. But global capitalism is a rough trade, full of the undeserving rich. There is not much governments can do about it, even when they are handing out the contracts.

Take an example. Mr Blair wants to bring private finance into the health service. Say then, the government strikes a deal with a private company to renovate the nation's crumbling hospitals. Eager to get the best from its executives, the company pays them generous bonuses. What does Mr Blair do when they pick up the cash? Demand they donate the money for new x-ray machines?

Mr Smith, giddy with power, has simply been bending in a populist breeze. Even so, Camelot offered him a deal. It would donate to charity an amount equivalent to the bonuses and hand over another £6m earned on unclaimed prizes. It would also consider the government's plan for the lottery to be run on a not-for-profit basis (ministers have yet to learn about supposedly free lunches).

At this point, a smart politician would have declared a famous victory. Mr Smith donned his surplice, climbed back into his pulpit and proclaimed: "They are showing a bit of contrition, but not nearly enough."

This is where we come to the real humbug. With the same breathtaking cynicism as his Tory predecessor, Mr Smith pretends that the whole enterprise is no more than a wholesome mix of fun and altruism. He even calls it the People's Lottery.

The truth is that it is a tax by another name, the burden of which falls most heavily on the poor and the feckless – on those driven by despair and delusion to see the lottery as an escape route from their dismal circumstance. The government's role in this noble enterprise is straightforward. It skims off as much as it can for the Treasury.

Mr Smith speaks as if every penny withheld from Camelot's directors would otherwise be there to ease the plight of the disadvantaged or to restore the nation's architectural heritage to its former splendour.

In reality, half the revenues are paid out in prizes. And for every £1 Camelot pockets in profit, the Treasury grabs £12 in direct taxation. That adds up to £4bn in tax over the life of Camelot's seven-year contract.

True, about 28 per cent – £9bn over seven years – is supposedly left for the five designated good causes. But the promise that this would be an addition to existing public spending is already threadbare. The government has taken direct control of the proceeds of the midweek draw to pay for health and education projects. It has been only slightly more subtle in appropriating the rest.

It may be too late. If not, Mr Blair would be wise to leave Camelot's fat cats alone. Sinners they may be; but every time the heritage secretary casts a stone in their direction, he reminds the rest of us just where the real wickedness lies.

·LETTERS TO THE EDITOR·

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No legal need for single currency in 1999 for Emu third stage

From Mr Bernard Connolly.

Sir, Your report ("Franc and D-Mark fall on Emu fears", June 3) the president of the European Commission, Mr Jacques Santer, as repeating what his colleague, Mr Yves-Thibault de Silguy, the European economics commissioner, has often said in recent months: that the timetable for Emu is fixed and that there is a legal obligation to begin a single currency on January 1 1999.

There is indeed a legal obligation to begin the third stage of Emu on January 1 1999. However, if Mr Santer were to read article 109e(3) of the treaty he would discover that the legal impact of the third stage is to bring into effect a number of other treaty articles. But these articles will apply only to countries "without a derogation", i.e countries that have been deemed by the European Council, following the procedure in article 109j(4), to have satisfied the "necessary conditions" for the adoption of a single currency. These conditions are not explicitly defined and are subject to the exercise of political discretion.

If the European Council deems that no country has satisfied the necessary conditions, the third stage begins as what might be termed an "empty shell" and a single currency is not instituted at that time.

Mr Santer and Mr de Silguy should be aware of this. After all, the head of the Commission's legal service, Mr Jean-Louis Dewost, provided an equivalent analysis in his evidence to the German Constitutional Court in July 1993.

By stressing that a single currency starting date of January 1 1999 was a political ambition, not a legal obligation, he gave the Karlsruhe court a route to allowing the ratification by Germany of the Maastricht Treaty – on condition that the criteria are applied strictly.

Bernard Connolly,
(head, EC Commission Unit for "EMS, national and community monetary policies, 1989-96),
executive director,
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French have gained no benefit

From Mr Endymion Wilkinson.

Sir, I refer to your article "EU protests at Chinese trade discrimination" (May 22). While it is true that there is evidence of discriminatory actions taken against Danish and Dutch commercial interests in China, there is no evidence that French companies have benefited. I therefore regret that the words attributed to me may have led to such a misunderstanding.

Endymion Wilkinson,
head of European Union delegation of the European Commission,
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China

Arguments against UK introducing a super-SIB are not insurmountable

From Mr Dick Ware.

Sir, Michael Taylor (Letters, June 4) makes some cogent arguments against what appear to be the government's proposals for a super-Securities and Investments Board, adding to the argument that has already been made that that there is a danger that a single regulator will obscure the different objectives of regulation.

Perhaps I might be allowed to add some weight to the other side of the scales. First, management is clearly all-important. But it is surely not beyond the wit of Howard Davies to devise a structure which does not force all top management to concentrate on all problems at the same time. Matrix structures work well elsewhere: why not at super-SIB?

Second, reputational contagion. This is, I think, Dr Taylor's most telling point and has indeed been adduced as a prime reason for separating the Bank of England's monetary policy and supervisory roles. The risk of contagion certainly exists.

The answer, however, is surely to continue attempts to convince the investing public that regulation will never prevent financial failure. Such failure can sometimes reflect on regulators – and therefore lead to contagion – but far more frequently it is a direct result of inadequate/incompetent/fraudulent management in the institution itself. *Caveat emptor.*

Third, compensation arrangements and cross-subsidy are indeed theoretical problems. In practice, however, cross-subsidy already exists (via the SIB levy on the existing self-regulatory organisations) and ring-fencing is a recognised concept, at least as far as the Personal Investment Authority and its original constituent SROs are concerned. It should therefore be quite possible to ensure that wholesale markets do not pay for mistakes on the retail side and – perhaps even more important – vice versa.

Finally, Dr Taylor feels that to concentrate so much power in a single pair of hands is dangerous. The upside of this is that a single regulator will be cheaper and – properly organised - will bring a degree of consistency to the regulatory system which is currently lacking.

Dick Ware,
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UK

Judaism's holy site

From Mr Albert Dawood.

Sir, In your weekend edition of May 24/25 your correspondent refers ("No place like home") to The Western Wall as Judaism's most holy site.

I would like to point out that the world appears to have conveniently forgotten that Judaism's most holy site is The Temple Mount, presently occupied by Moslem mosques.

Despite declarations of freedom of religion in Jerusalem, Jews are forbidden to pray there due to objections of the Moslem religious authorities.

The Western Wall is but a remnant of the outer wall of the Temple Mount and the holiest place in Jerusalem today where Jews may pray.

Albert Dawood,
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Ra'anana 43 213,
Israel.

Pfizer forum

EUROPE

Are National Drug Expenditure Control Policies Compatible with a Single European Market?: The case of Spain

BY PROFESSOR JOAN ROVIRA

National price controls and other forms of public intervention in pharmaceutical markets have created significant variations in pharmaceutical prices among EU Member States. A Spanish health economist examines the implications of these variations for the Single Market.

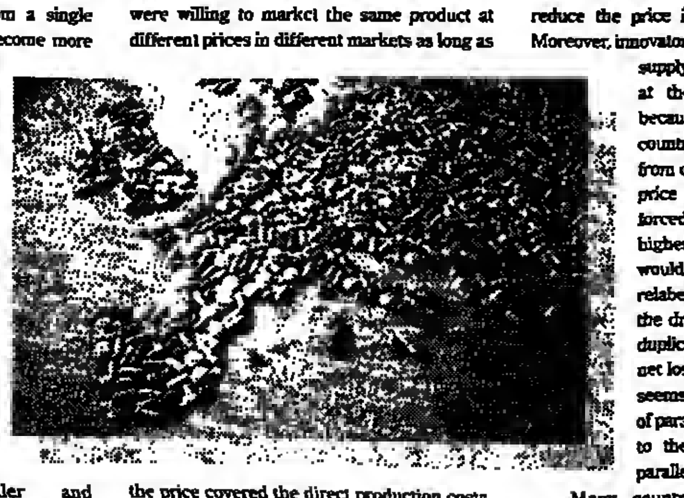
The European pharmaceutical industry as a whole is likely to benefit from a single European drug market, and to become more competitive vis-à-vis its counterparts in the USA and Japan. However, turning a set of independent national markets into a single market is by no means an easy undertaking, especially when the original situation is characterised by a high level of public intervention, as is the case with pharmaceuticals.

Traditionally, pharmaceutical marketing and pricing have been strictly regulated in Spain and many other European countries. In Spain, price controls are based on the industrial price of the products, which in turn determines the wholesaler and pharmaceutical margins, and thus the price to consumers. In theory, the industrial price should reflect the production cost of the drug plus a certain mark-up. In practice, the industrial price has been set by negotiations based on criteria that were far from transparent, and prices could not be assumed to have any stable nor predictable relationship with costs.

In response to the EU Transparency Directive issued in 1988, which tried to avoid discriminatory pricing policies within the EU, a revised pricing system was established. In spite of some progress towards objectivity and transparency, prices are still more the result of discretionary decisions and time-consuming negotiations than of an objective and predictable procedure.

Price control has mainly been used as a tool for cost containment, and perhaps also to serve industrial policy objectives, as it appears to have a larger impact on foreign research-based companies than on the local industry. In part, this is because the absence of product patents in Spain before 1992 allowed Spanish non-research-based companies to copy and market drugs developed elsewhere at a lower cost than the innovator companies.

Price control has traditionally kept Spanish prices well below those prevailing in most European countries. The same can be said of other EU countries like France, Belgium, Portugal, Italy or Greece. The existence of price differentials was not a major problem as long as the drug market was segmented in national markets. Innovators were willing to market the same product at different prices in different markets as long as the price covered the direct production costs. The countries with lower prices contributed a lower share to the recovery of fixed costs, i.e., research and development, while enjoying the same benefits as those that paid higher prices. This situation was not necessarily detrimental to the research-based companies, until the progressive abolition of trade barriers among EU countries created the incentives for parallel trade.



This parallel trade has existed for several years, although its precise amount is not easy to quantify. The main exporting countries have been those with lower prices - France, Belgium, Italy and Greece. Spain was not among them until 1995. Product patents were introduced in Spain in 1992, but because protection was not made retrospective, drugs patented elsewhere before that date will never enjoy patent protection in Spain. To protect the rights of patent holders, article 47 of the Adhesion Treaty of Spain to the EU temporarily ruled out the free trade of chemicals and pharmaceuticals until December 1995. After that date Spain, together with Portugal, joined the club of potential parallel exporters. It was assumed that, after that period, Spanish prices would have risen closer to European levels and would not spur parallel exporting from Spain. This has not happened, for several reasons, and multinational companies now face the possibility of having to cope with a flood of parallel exports from Spain that may partly replace those from other countries.

Who benefits from parallel exports? Not, it seems, consumers and third party payers. Parallel trade does not seem to significantly reduce the price in the importing country. Moreover, innovators may be compelled to stop supplying the exporting country at the prevailing low prices, because their losses in importing countries may outweigh the gains from opening a new market. Low price countries may finally be forced to import the products at a higher price than they otherwise would. Finally, the repackaging, relabelling, and transporting of the drugs involved is a wasteful duplication of resources and a net loss for society as a whole. It seems in the end that the benefit of parallel exports accrues mainly to the companies undertaking parallel trade.

Many countries have fundamentally relied on price controls to contain pharmaceutical expenditures. This is not likely to be a feasible approach in the future because different national prices directly contradict the very idea of a European Single Market, and are therefore not likely to be maintained indefinitely. Instead, health authorities will probably have to turn towards reimbursement strategies and other expenditure control policies that do not conflict with the rules of a competitive market.

Professor Joan Rovira is Associate Researcher at the Institut de Salut Publica de Catalunya, Universitat de Barcelona, Barcelona, Spain.

[illegible]

Pfizer

Europa · Michael Stürmer

When two become three

European progress depends on successful ties between London, Paris and Bonn

Within the past few weeks the political landscape of Europe has changed almost beyond recognition. In Britain a new Labour government has been voted into power, its landslide parliamentary majority far exceeding its electoral success. In France, the snap elections called by President Jacques Chirac heralded the defeat of the conservative majority in the first round of voting and brought confirmation of the left's victory in the second round. What does all of this mean for Europe?

First and foremost, Britain is once again an effective participant in European affairs, with a role to play in institutional changes, the shape of European security and the fate of the euro, the planned single currency.

While in substance the British position is not likely to change profoundly, the new government has made things both easier and more difficult for its continental partners. Adopting a softer tone, London will be firm on essentials.

Thus, while the UK is no longer marginalising itself, it can no longer be marginalised by others. In fact, Mr Robin Cook, the foreign secretary, has made it clear that he wants Britain to be part of the Paris-Bonn intimacy. This amounts to an extension of the Franco-German pairing into *ménage à trois*.

The already troubled introduction of the euro will be made no easier. This is not only because British doubts have to be taken more seriously. The new French government must also take into account serious misgivings within its electorate about austerity measures required to meet the Maastricht criteria for economic and monetary union.

Most European governments have been trying to hide the harsher implications of the euro from their electorates. The French elections have shown this cannot be done.

Notable differences of opinion between France and Germany, highlighted by Mr Karl Otto Pöhl, the former Bundesbank president, in January, will also put a serious burden on Emu. These differences amount to matters of faith.

Kohl and Chirac: different approaches to Emu by France and Germany may take fizz out of the relationship

On the French side, the common currency is predominantly seen as a political instrument.

The Germans, on the other hand, insist that the Maastricht goals must be met with only a limited amount of creative accounting, including by Germany itself. Their attitude has been fortified by the Bundesbank which has resisted the government's attempts to mobilise the gold reserves to meet the Maastricht criteria.

The resignation of Mr Alain Juppé, the French prime minister, after the first round of elections was an admission that the French government had gone to the brink of what it could impose on the electorate in terms of austerity and discipline. Now the chips are down, the euro will be the result not so much of stringent criteria but of a test of will between Germany and France.

Germany cannot ignore the argument that monetary union would carry more weight if it comprised most European Union members. But neither can Bonn ignore the fact that, by letting the Maastricht criteria slip or by using too much creative accounting, it risks alienating much of the electorate, not to mention the Bundesbank.

For political reasons, the French want Italy and Spain to be admitted to Emu whether or not these countries fully meet the criteria. The defining moment of Emu as the central part of European life will come when the first wave of countries is admitted. France does not then want to be alone with a number of self-righteous defenders of the Bundesbank faith.

The differences between France and Germany, when it comes to political control and the autonomy of the future European central bank, will be accentuated. In principle, the Germans want monetary policy to be set on autopilot – the trauma of the past being all too present. But monetary policy for the French is the most important instrument with which to steer the economy, especially in a time of globalisation, economic hardship, high unemployment and little growth.

What frightens the Germans is "political money", while the French fear political unrest. It is not difficult to imagine a situation in which French voters blamed German stubbornness for further mass unemployment, while German voters pointed to inflation as the result of French expansionist economic policies.

This comes on top of recent policy divergences among Europeans – in particular between France and Germany – such as over the mechanics of admitting new members into the EU.

Behind these differences of opinion lurks the German vision that the objective should be some kind of meaningful and manageable political union while the French, in this respect, seek to keep all their options open, binding the Germans while not binding themselves.

On this, once again, Paris and London have common ground in their scepticism over the EU common foreign and security policy – the German acronym for which is, most aptly, GASP.

While the Germans and some members of the European Commission still cling to the original Maastricht concept of European policy forming the core of political union, for London and Paris a degree of policy co-ordination will do.

For them, keeping an independent national voice in world affairs, pursuing post-colonial interests independently and occupying the permanent seats on the United Nations Security Council is more important than having a combined role on the international scene.

After the changes in the electoral landscape of Europe, and with more to come, the euro may still be a bridge. But effective political union now appears to be a bridge too far. This unbalanced state of affairs will not make life after the euro easy, let alone render relations between Bonn, Paris and London harmonious.

In the foreseeable future Europe's *modus operandi*, therefore, will have to be distinctly intergovernmental, with countries united by a quest for growth, the defence of the euro, the unforgiving challenges of international insecurity and accommodation of the newcomers queueing to join the EU. If these challenges are to be met, there will have to be a smooth relationship within Europe's new *ménage à trois*.

Michael Stürmer is director of Stiftung Wissenschaft und Politik, a German foreign affairs and defence policy institute.

FINANCIAL TIMES

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Friday June 6 1997

An Irish conundrum

At every election since 1973, Irish voters have turfed out the government in office. It has become something of a ritual. If the opinion polls are right, it could well happen again after today's election, with a two-party coalition headed by Mr Bertie Ahern's Fianna Fáil replacing the three-party "rainbow" coalition headed by Mr John Bruton's Fine Gael. Any other result would be a surprise.

And yet this government, an unlikely combination of the conservative Fine Gael, the centre-left Labour party, and the rather more radical Democratic Left, does not deserve to be defeated. It is presiding over a remarkable economic performance, with annual growth averaging more than 7 per cent in the last three years, employment up by 12 per cent in the same period, and inflation running at around 1.5 per cent. According to a different measure, the satisfaction rating of the government is at a record.

It is certainly not all over as the voters head for the polls. Ireland's complex but scrupulously fair system of proportional representation means that it is not first preferences – as reflected in the opinion polls – which will determine the outcome, but the second and third preferences which count. For the first time, the ruling coalition has run its campaign as just that – a three-party team appealing for supporters to cast their votes tactically, giving all three their top preferences. It is a gamble which might just work.

Mr Ahern of Fianna Fáil has been the more effective campaigner on the hustings, but he came a poor second in the final television debate of the campaign to the normally stolid Mr Bruton, according to most observers. He has also had trouble keeping his proposed coalition partners, the cost-cutting Progressive Democrats, in line. The latter have called for 25,000 public service jobs to be scrapped, to Mr Ahern's acute embarrassment.

There is little to choose between the two sides on economic policy. Both are committed to meeting the Maastricht criteria for the European single currency, for which Ireland already qualifies. As for the Northern Irish peace process, Fianna Fáil can claim to have negotiated the ceasefire, while it collapsed on the Fine Gael watch. That could still count for a few votes on the day, even if both sides are equally determined to get the gunmen off the streets.

The deciding factor will probably be the votes cast for the minority parties. The result will hang in the balance until the final preferences are counted, sometime over the weekend.

Internet banks

The transformation of retail banking from a business based on bricks and mortar to one based on electronic networks, cash machines, personal computers and telephones is already a cliché. Bankers might like to think they have come to terms with it. But the full force of this trend has yet to be felt.

The latest Ernst & Young study of technology in the financial services industry, reported elsewhere in today's FT, underlines the scale of the change that lies ahead. On the face of it, the most striking aspect of the report is the near unanimity with which banks and asset managers are planning to use the internet to handle transactions, not just provide information.

This is merely a symptom, however, of a broader trend: the shift away from proprietary systems towards industry standard ones. This is in many ways a more profound threat to traditional banking relationships than a mere shift from the high street to cyberspace.

A proprietary electronic banking system, of the sort introduced with limited success by many banks over the past decade, is a simple transfer of existing banking relationships from one medium to another. Paper and branches are replaced with their electronic equivalents, but proprietary electronic systems continue to enforce customer loyalty.

Standardised systems – such as internet browsers and security protocols, or household-finance programs from Intuit and Microsoft – offer no such comfort. First, they level the playing field. Rich banks, which have traditionally thrown money at devising systems that will give them a technological edge, no longer possess this advantage. They are likely to be able to offer less capable solutions than the industry standard ones available at a low price to any competitor, no matter how small or new.

Second, the new systems allow customers much greater latitude to switch banks. If their account data is held in a standard format on their PCs, and their potential bankers all use the same sort of internet interface, the inconvenience of switching is much lower. Standardised home-finance programs also allow the customer to take the initiative, by pulling together credit, deposit and transaction services from different providers.

In all these ways, the balance of power between banker and customer shifts to the former's disadvantage. Simultaneously, traditional advantages of banking scale and technology are eroded. Retail banking has changed a great deal in the past decade. But it will change still more in the decade ahead.

Wrong signal

Yesterday Railtrack came in with some rather good figures. The UK's Labour government responded with a now-customary sneer.

The company, which owns the rail network previously operated by state-owned British rail, reported a 27 per cent rise in pre-tax profits. Mr John Prescott, the deputy prime minister, said it was failing in its duty to invest enough in its network. He might claim that he was only following Mr John Swift, the rail regulator, who wants Railtrack to speed up some types of investment and seeks new powers to make it comply.

However, the government has already shown a persistent desire to intervene in the affairs of regulated industries. This week, Mr Chris Smith, the heritage secretary, tried to force executives of Camelot, the lottery operator, to give up their bonuses, and Mr Prescott recently called in the water industry to discuss future supplies and leaky pipes.

In the case of Railtrack, ministerial comments were seen, because of their timing, to imply that profits were excessive and resulted from a failure to invest. In fact there is little connection between the speed at which Railtrack is implementing its investment plans and its latest profit figures. The latter reflect improved efficiency, increased turnover and property sales. Its operating profit was 14 per cent of turnover, compared with 13 per cent last year, neither of them unreasonable figures. Investment, at nearly £1bn, was up by 30 per cent and was much higher than under state ownership.

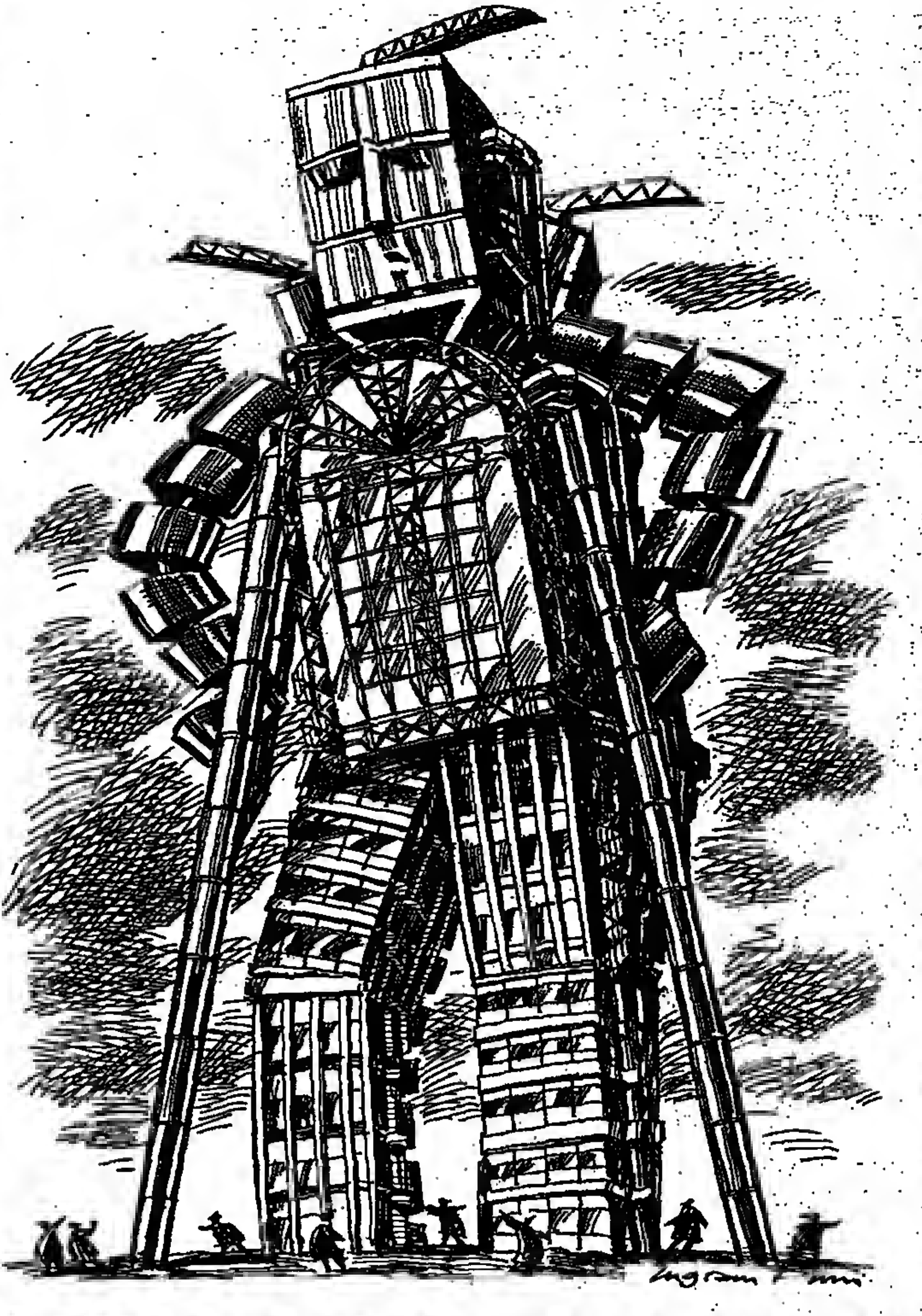
So why the fuss? The popular outcry against big utility profits and excessive bonuses in recent years should not tempt the government into thinking that the answer is more direct ministerial control. Government interference was bad for the nationalised industries and would be worse in a privatised regime.

The remedy against excessive profits or under-investment should be tough but transparent regulation. After a shaky start in some industries, the regulators are generally showing themselves up to the job, and have been increasing their powers under the provisions of existing legislation.

Mr Swift, for example, has been alert to the danger of under-investment by Railtrack and needs no help as yet from the government. Since the company has a strong incentive to meet its 10-year investment targets, the regulator's comments may be like the routine barking of a sheep dog. Ministers only create confusion if they add to the noise. For although utilities must not abuse their monopolies, they also need a stable regime which offers rewards for efficiency and the assurance that the return on long term investments will be safe from political whim.

Names and numbers

Lloyd's is pressing ahead with a restructuring needed to recover business lost to sharper competitors, says **Christopher Adams**



In the smart offices atop the distinctive Lloyd's building in the financial heart of London, there is a sense of hushed urgency. Mr Ron Sandler, the chief executive, has only a few minutes to talk. He walks over to his desk, plucks out a packet of cigarettes and begins to smoke.

Lloyd's has rid itself of the huge losses which threatened bankruptcy, he says, but there are grave shortcomings that must be addressed if it is to win back business lost to competitors. Unless the 300-year-old society, which holds its annual meeting in London today, puts in place essential reforms quickly, it may rapidly cease to be an important participant in the global insurance market.

Lloyd's has long discussed a possible restructuring. But now, in the face of increasing regulatory scrutiny and client concern, it has drawn up definitive plans – and underwriters are pressing for swift action.

"If Lloyd's doesn't clean up its capital structure, it will lose a lot of business," says Mr Robert Hiscox, a former deputy chairman of the insurance market. "It will be left as an underwriter of last resort, writing esoteric business which nobody else takes."

The society's recent performance has been mediocre relative to its peers. A decade of highly public traumas during which billions of pounds of losses almost destroyed the society has deterred clients and alarmed regulators. Its market share fell between 1991 and 1995, as more nimble competitors grew their income by 6 per cent.

"Lloyd's attracted some negative publicity and it's certainly true it lost some market share," admits Mr Sandler. "Insurance is a business based on confidence. Over the period leading up to the [1996] recovery plan we had to make it quite clear to the membership what the consequences were of failing."

It would be unfair to understate the success of last year's complex plan to reinsure Lloyd's past losses. Over 95 per cent of the 34,000 Names – the individuals whose assets have traditionally backed Lloyd's – agreed to the plan and a new company called Equitas took charge in September of more than £11bn in old liabilities.

The society has also bounced back into the black, last week announcing the second consecutive year of profits topping £1bn, following five straight years of heavy losses.

But the recent troubles have inflicted deep wounds. A parliamentary select committee two years ago condemned the system of self-regulation at Lloyd's. It said the market had failed to check the wealth of new Names in the 1980s when profits were booming and it had become fashionable to join the society. It also criticised Lloyd's for not spotting negligent underwriting, which led to a damaging spiral of re-insurance written at dangerously low premiums.

This spiral amplified losses from a series of natural disasters in the late 1980s and early 1990s, leaving many Names unable – or simply refusing – to pay. Some formed action groups, which won several court cases against Lloyd's, and only agreed to the recovery plan after the insurance market made a £3.2bn settlement offer compensating them for their losses.

Now regulators, as well as existing and potential clients, urgently want to see evidence that Lloyd's is well cushioned against future disasters. In the US, where Lloyd's derives a third of its income and is still fighting a legal battle against Names, regulatory scrutiny is relentless and tougher solvency requirements were unexpectedly imposed earlier this year.

Lloyd's has reacted by moving to strengthen the funds that underpin the policies it issues, requiring Names to put more capital up front. This week it introduced rules obliging Names to show evidence of assets totalling at least 50 per cent of the premiums they support, significantly more than in the past. This, Lloyd's believes, will strengthen its hand in negotiating a strong risk rating from ratings agencies such as Standard & Poor's.

The most immediate task for Sir David Rowland, Lloyd's chairman, is to convince Names at today's meeting that this step is vital. Some Names have threatened to revolt. Influential groups such as the Association of Lloyd's Members have criticised the reforms, fearing that the pace of change could force Names out of Lloyd's. Last-minute concessions delaying the timetable have softened the blow, but may not be enough to quell all opposition.

Even if Lloyd's manages to sway Names and significantly bolsters its reserves, this alone will not be sufficient to ensure the society's prosperity. Competitive pressures have intensified since completion of last year's recovery plan and premium rates are in freefall. Profits for 1996 and 1997 will be much lower than in 1993 and 1994.

The big reinsurers – companies which for a premium take on some of the risk underwritten by an insurer – are merging into ever larger units. This gives them the financial clout that draws in big contracts for reinsurance, a core Lloyd's business.

Lloyd's has also yet to diversify much out of slow-growth markets such as marine and aviation insurance on which it has traditionally been reliant and where competition is fiercest.

It does not have a significant presence in life insurance which, because of the ageing population in developed countries, is expected to offer the best prospects for growth. Its efforts in the UK motor and household sectors, which it conducts mainly through commission-seeking brokers, are no match for low-cost direct telephone sales.

Meanwhile, new products that place risk on capital markets through techniques such as securitisation are beginning to erode the share of traditional insurance. Furthermore, a wave of mergers among brokers has concentrated the supply of clients in fewer hands.

Managing agents at Lloyd's acknowledge that they have failed to make inroads in certain markets and are ill-equipped to cope with the industry's rapid consolidation. This is likely to get worse, they say, unless Lloyd's own centuries-old system for raising capital each year – the "annual venture" – is reformed.

Unlike conventional insurance companies, which control their own capital, syndicates at Lloyd's rely largely on the support of Names. These can, in theory, withdraw their funds at almost any time, a risk underwriters say makes long-term decisions difficult.

"I have severe reservations about the annual venture because it requires judgments to be made at the end of a 12-month period, some of which are impossible to make," says Sir David. "The system does not enable the trading unit to build up reserves or generate its own capital in a business which is going to need capital for long-term investment".

Some managing agents have called for its abolition, arguing that a system of permanent capital under which Names bought shares in their companies on a limited liability basis could increase profits at Lloyd's by some £300m annually.

"It's an anachronistic absurdity. There's too much concentration on what suits the Names, but you can't run a business on that basis," says Mr Hiscox.

Centrally-led reform of the annual venture is unlikely to be rapid, however, since there is strong support for the present system from other members of Lloyd's.

"The annual venture may be anachronistic but it is also fluid and dynamic," says Mr Graham McKean of Ballantyne, McKean and Sullivan, the insurance broker. "Some of the defining characteristics of Lloyd's are based on a capital structure that is not wholly corporate. The people who make the decisions are accessible, making Lloyd's the antidote to faceless insurance companies."

Names have little incentive to change. They have for many years enjoyed high returns and tax advantages from their trading activities. Tough new capital requirements are already difficult to accept, and conversion from unlimited to limited liability would erode some of their benefits.

The transformation of Lloyd's into a modern-style business with permanent capital has, however, already begun. Corporate capital has been strengthening ties with the agents that manage syndicates, threatening to squeeze out Names and enabling underwriters to win direct control over the capital that supports their businesses.

Sir David believes that those market forces will mould the future shape of Lloyd's. But, equally, he is concerned that the diversity on which its reputation is based remains intact. Above all, there should not be "too much concentration of power in one place", he says.

Lloyd's may eventually seek to impose limits on the extent to which any one insurance group or investor can dominate the society, he says. While reform of the annual venture will certainly come, this may be preceded by a series of half-way measures.

Next year, corporate capital is likely to be supplying Lloyd's with more than half the funds it needs to write insurance, compared with 44 per cent in 1996. This would leave Names who oppose the changes that are sweeping the society in a weaker position from which to mount a convincing attack.

Today's annual meeting will probably be their last chance. But Lloyd's may simply listen to the fears of the Names and then press on with modernisation regardless. The last thing Lloyd's can afford is a messy compromise.

• OBSERVER •

Ma breaks through

■ No surprise that a former Chinese ambassador to Britain has been named to head Beijing's sparkling new foreign ministry office in Hong Kong. But it is Ma Yuzhen who will move south from Beijing in July, rather than Jiang Enzhu, his successor in London, who had been considered the frontrunner for the Hong Kong job.

Clubbable and cosmopolitan, Ma is seen as a formidable operator and adept at parrying difficult questions. Just as hardline but more creative than the average comrade, was one verdict. A recent stint in the information office of the state council – China's cabinet – has honed his contacts.

Ma's skills might well be tested, not just by the complexities of the handover, but also by the rivalry with the news agency Xinhua, which is China's *de facto* embassy in Hong Kong. The foreign ministry office is set to assume the international affairs dossiers now handled by Xinhua and is also expected to handle issues relating to Taiwan.

The gloomy air around Xinhua's drab headquarters suggests that the ministry has been gaining the upper hand of late. If buildings are anything to go by, the two new gleaming towers that will house the foreign ministry suggest Ma may well be Beijing's main man south of the border.

Palace coup

■ Ex-King Constantine of Greece isn't going to get his palaces back and may have to give up the Greek diplomatic passport he has used unofficially since the monarchy was abolished in a 1974 referendum. A tribunal of 13 judges has upheld a law passed three years ago by the fiercely republican Socialist government stripping him of his citizenship and what remained of his modest estates.

Constantine lives comfortably in London, thanks to the generosity of John Latsis, the billionaire Greek shipowner who has also entertained British royals for holidays aboard his luxury yacht. Latsis was involved in the deal under which Constantine handed over more than [illegible] in long-overdue inheritance taxes to the Greek finance ministry five years ago to back his bid to recover the palaces.

Some ex-courtiers who remember the two dilapidated palaces wonder what all the fuss was about. Mon Repos – now to become the cultural centre for the town of Corfu – was small and uncomfortable, though it boasts a private beach and an ancient Greek temple in the garden. Tatoi, a mock Renaissance villa outside Athens, is in such disrepair that it should probably be pulled down. Disrespectful leftwingers have picnics there and riding clubs send customers cantering through the royal cemetery in its grounds.

Press pass

■ Foreign journalists in Cuba have been presented with a Foreign Ministry resolution stating that if they don't write "objectively" or don't report "the facts" about the communist-ruled island, their accreditation may be withdrawn.

This confirms existing unwritten practice: the authorities have always felt free to warn or expel correspondents whose reporting they didn't like. But hacks fear the ministry resolution, which has legal force, will encourage the authorities to enforce their view of "objectivity" – that Cuba is the innocent target of "Yankee imperialism" and all opponents of President Fidel Castro are counter-revolutionaries in the pay of Washington.

Such is the Cuban commitment to disseminating information that the resolution, just released to correspondents, was signed by foreign minister Roberto Robaina back in February. The official line is that it's been at the printers.

Trouble in view

■ Richard Holbrooke, the new US envoy to Cyprus, is probably best known for knocking heads together in former Yugoslavia but he is no stranger to the strong emotions that divide Greeks from Turks. He has helped defuse rows between Greece and its northern neighbours, and last year's Greek-Turkish naval standoff.

But the passions of south-east Europe can be exhausting, even for a man with Holbrooke's hard-driving, workaholic style. Visiting a restaurant near Athens last year, he longed to relax for a moment after some intense geopolitical discussions. In a bid to change the subject, he complimented the waiter on the idyllic view of the sea. Back came the reply: "But don't you realise, Mr Holbrooke, the Aegean is under threat..."

Smoke screen

■ European ministers listening yesterday to the English translation of a debate on tobacco consumption and women's health heard that "nowadays women are fuming more than men".

Financial Times

50 years ago

Marshall Speaks To Europe

Washington, 5th June. The U.S. Secretary of State, Mr. George C. Marshall, has appealed in a speech at Cambridge, Mass, to European nations to unite in planning recovery. His speech is regarded in diplomatic circles here to-night as marking the adoption as official U.S policy of a much discussed plan to put aid to European countries on a continental instead of an individual basis. "It would be neither fitting nor efficacious," he said, "for this Government to undertake to draw up unilaterally a programme designed to place Europe on its feet economically. This is the business of Europeans. The role of this country should consist of friendly aid in drafting a European programme."

Empire Builder

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FINANCIAL TIMES
Friday June 6 1997

Internet use by financial services groups set to soar

Technological innovators to compete with banks

By Tracy Corrigan and John Authers in New York

The number of financial services companies using the internet to process transactions is set to soar, according to a survey by Ernst & Young, the accounting and consultancy firm.

Currently, around 13 per cent of the 130 financial services companies surveyed in 17 countries are using the internet for transactions with customers. But by 1999 this will jump to 60 per cent. For US businesses, it will rise to 87 per cent. Only 6 per cent have no plans to introduce transaction processing on the internet.

Mr Phil Lawrence, of Ernst & Young's financial services consulting group, said: "In 1996, there was virtually no internet transaction processing in the US. A tremendous number of institutions are starting their experimentation in 1997."

Concerns about security remain the main barrier to growth, Mr Lawrence noted. But Mr Jim Scurlock, an E&Y manager specialising in security, said many of the banks moving into transaction processing believe that the security issue is "going to be taken care of by the fall" as a result of advances in secure electronic transaction technology. This technology uses encryption to make it safe to move credit card numbers or other potential security risks over the internet.

"Mastercard, Visa and American Express all have pilots and they are a long way down the road without any really big problems in sight. They have to feel it is bullet-proof," said Mr Scurlock. "Either there will be a big blow-up or the pattern we have described in the survey will happen."

Globally, financial services companies' information technology budgets grew 4-6 per cent from 1995 to 1996, and 36 per cent of respondents said that the most important technology investment would be in PC banking and the internet.

The survey found that traditional borders between banking and other retail financial services were being erased by technology. The most frequently cited innovators in the field included Fidelity Investments, a Boston-based fund manager, and Charles Schwab, a San Francisco-based discount brokerage, both of which have encroached on traditional banking territory by offering money market accounts and other products.

The other two leaders mentioned were Citibank and Wells Fargo, both commercial banks which have emphasised on-line banking.

The survey also showed that smart card technology was being pursued more avidly in Europe, where 78 per cent of respondents indicated activity, compared with 44 per cent in the US.

Editorial Comment, Page 17

S Korean president's son charged

Kim Hyun-chul: formally charged with taking bribes

Continued from Page 1

gathered in Seoul. The students had hoped to exploit public anger over the campaign fund issue by calling for the president to resign.

But yesterday they dispersed, having alienated the public with their admission that a group of students beat to death a young worker wrongly suspected of being a police informer.

Most of the students, who belong to the outlawed leftwing Hanchongnyon group, left their campus strongholds in the capital after calling off the protests.

Although they promised to co-operate in the police investigation of the murder, the government vowed to arrest the Hanchongnyon leaders and disband the organisation that has led frequent violent protests during the last few years.

Swiss weapons ban could cut all but the army knife

By William Hall in Zurich

A referendum on whether Switzerland should end arms exports is sending ripples of concern through the country's manufacturing industry. Only the makers of the Swiss army knife are confident of avoiding the proposed ban on "dual-use" weapons.

Mr Don Dwight, who handles public relations for Swiss Army Brands, the US company which has sole right to the Swiss Army trademark, insists the popular penknife is a "pocket tool" rather than a weapon of mass destruction.

He is confident that even under the "most stretched definition" it will not fall under the scope of Switzerland's proposed ban on dual-use arms exports, which will be put to a vote on Sunday.

But Switzerland's manufacturing industry is not as relaxed as Mr Dwight at the proposal, backed by the Socialist party.

It comes at a sensitive time. Swiss arms exports rose by two-thirds to SFr232.9m ($161m) last year, helped by a big order from Oman for air defence systems. But revelations that two-thirds of arms exports during the second world war went to Germany have caused embarrassment.

If Switzerland accepts the socialist referendum it will be the first developed country to ban arms exports, although most people believe it has only a slim chance of getting through. Mr Klaus Stöhlker, a political consultant, says the Swiss are so "deeply insecure about their role in the world at present that no one knows how the electorate will behave on Sunday".

Switzerland's army has not fought a war since 1515. The socialists, with the backing of the Green party, believe the country's involvement in the arms trade damages its moral stance as a neutral state.

An attempt to ban arms exports was rejected in a 1972 referendum and voters have turned down more recent attempts to abolish the army and prevent the air force from buying SFr3.5bn worth of FA18 fighter aircraft from McDonnell Douglas.

A ban would catch the manufacturing sector at a difficult moment after six years of teetering on the brink of recession. Mr Edwin Somm, president of the Swiss engineering industry employer's federation, has estimated that 5,700 jobs would be lost if the ban was accepted.

Another 122,000 jobs in the mechanical engineering, electronics and metal industries would be threatened by the ban on exports of goods which can be used for military and civilian purposes.

The Swiss army knife might escape, but industrialists such as Mr Martin Huber, chief executive of Georg Fischer, a Swiss engineering company, and Mr Hans-Ulrich Schroeder, chief executive of Ascom, a Swiss telecommunications producer, are worried about the impact it would have on research and development in their sectors.

The socialist campaign has split the Swiss trade union movement which is worried about the impact on jobs. The Swiss unemployment rate is higher than in the US and shows little sign of falling.

Church groups have failed to give a lead, but Mr Nicolas Hayek, one of Switzerland's most successful entrepreneurs and chairman of SMH, the country's biggest watch producer, supports the ban.

Mr Adolf Ogi, Switzerland's defence minister, says Swiss arms exports account for less than 1 per cent of the global arms trade, and argues that anyone supporting the right of self-defence, as stipulated by the United Nations, must logically support the need for countries to procure the means of self-defence.

MEPs force change on stability pact

Continued from Page 1

summit. Mr Tony Blair, the UK prime minister, will take centre-stage at the congress in Malmo today, with a warning to Europe's socialist leaders that unless they embrace his style of political modernisation they, and their dreams of greater EU integration, will be rejected in a rightwing backlash.

The Netherlands holds the rotating presidency of the EU and Mr Kok will chair this month's summit in Amsterdam.

Mr Kok suggested other EU states would not allow Britain to hold back attempts at incorporating the Schengen accords on open borders into the treaty.

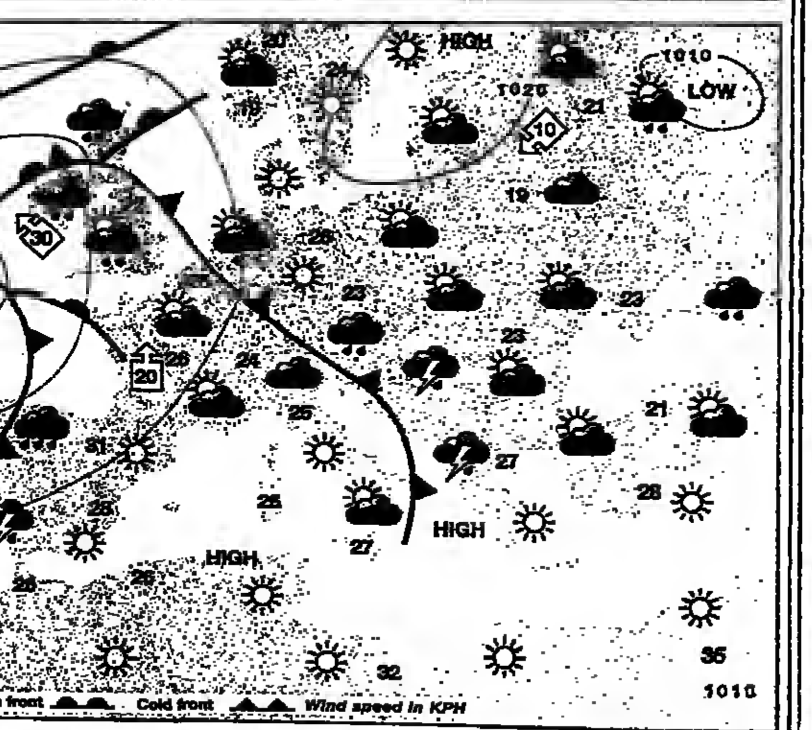
FT WEATHER GUIDE

Europe today

Most of Europe will have summerlike temperatures of 25°C or higher. But sunny periods will not be all that common over the continent.
Spain and France will be fair with occasional thunder storms. Portugal will be cloudy with rain, sometimes heavy.
Tha Alps will have sunny periods, while Austria will be wet. The Benelux and Germany will have sunny spells with some cloud and a few showers.
A front moving across the Balkans will bring thunder storms to the area.
Eastern Europe will stay dry with a mix of cloud and sun.
Southern Scandinavia will have sunny periods.

Five-day forecast

The western part of the continent will be unsettled over the next few days.
Occasional thunder storms, sometimes widespread, will develop over the Iberian peninsula and move across France towards southern Scandinavia.



Situation at 12 GMT. Temperatures maximum for day. Forecasts by Meteo Consult of the Netherlands

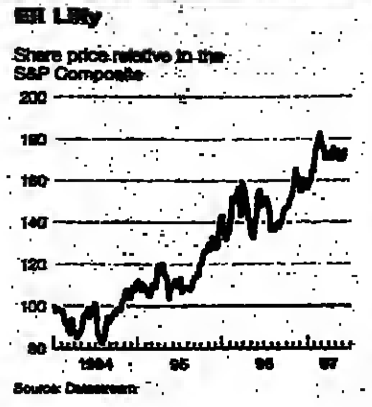
TODAY'S TEMPERATURES

	Maximum	Beijing	cloudy 26	Caracas	fair 32	Faro	shower 21	Madrid	thund 25	Rangoon	shower 29
	Celsius	Belfast	rain 20	Cardiff	shower 20	Frankfurt	fair 27	Majorca	sun 25	Reykjavik	cloudy 9
Abu Dhabi	sun 36	Belgrade	cloudy 23	Casablanca	fair 25	Geneva	fair 25	Malta	fair 27	Rio	fair 24
Accra	fair 29	Berlin	sun 26	Chicago	thund 23	Gibraltar	sun 23	Manchester	shower 22	Rome	sun 26
Algiers	sun 28	Bermuda	cloudy 25	Cologne	shower 28	Glasgow	rain 18	Manila	fair 35	S. Fsco	sun 22
Amsterdam	fair 25	Bogota	shower 18	Dakar	fair 27	Hamburg	sun 26	Melbourne	shower 15	Seoul	fair 27
Athens	sun 27	Bombay	fair 34	Dallas	fair 32	Helsinki	sun 23	Mexico City	fair 27	Singapore	cloudy 33
Atlanta	thund 21	Brussels	fair 25	Delhi	sun 35	Hong Kong	cloudy 30	Miami	fair 32	Stockholm	sun 24
B. Aires	fair 15	Budapest	cloudy 23	Dubai	sun 36	Honolulu	fair 31	Milan	cloudy 23	Strasbourg	cloudy 26
B.ham	cloudy 24	C.hagen	sun 21	Dublin	shower 19	Istanbul	cloudy 23	Montreal	fair 22	Sydney	fair 23
Bangkok	thund 37	Cairo	sun 31	Dubrovnik	thund 21	Jakarta	fair 32	Moscow	shower 20	Tangier	fair 26
Barcelona	sun 23	Cape Town	fair 18	Edinburgh	rain 18	Jersey	rain 17	Munich	shower 25	Tel Aviv	sun 28
						Karachi	fair 35	Nairobi	fair 24	Tokyo	cloudy 24
						Kuwait	sun 42	Naples	fair 24	Toronto	fair 24
						L. Angeles	sun 25	Nassau	fair 32	Vancouver	cloudy 19
						Las Palmas	fair 27	New York	sun 24	Venice	shower 22
						Lima	fair 25	Nice	cloudy 24	Vienna	rain 20
						Lisbon	rain 21	Nicosia	fair 33	Warsaw	fair 22
						London	sun 25	Oslo	sun 23	Washington	fair 21
						Lux.bourg	fair 24	Paris	cloudy 26	Wellington	fair 12
						Lyon	cloudy 28	Perth	shower 20	Winnipeg	sun 26
						Madeira	shower 22	Prague	shower 23	Zurich	fair 23

THE LEX COLUMN

Labour pains

FTSE Eurotrack 200:
2367.6 (+12.4)



Source: Datastream

Those inclined to believe Britain's New Labour sheep hides an Old Labour wolf can now point to some evidence. The politics of envy has reared its ugly head, first with the National Lottery and now with Railtrack. Somehow New Labour's support for a dynamic enterprise economy has been forgotten.

The attack by Mr Chris Smith, national heritage secretary, on Camelot, the private company which runs the lottery, has been the most astonishing. So unhappy is he with how much top executives are earning he is demanding they pay their bonuses to charity. They are now threatening to resign. This is hardly the way to convince the private sector it can do business with Labour.

Mr John Prescott, deputy prime minister, has not gone quite so far in his attack on Railtrack. But yesterday's description of the company's profits as "basically taxpayers' money" is financially illiterate. True, taxpayers' funds have indirectly found their way to Railtrack because the whole railway system depends on subsidies. But investors have paid for Railtrack shares and properly expect to earn profits.

Labour, in short, is finding it hard to reconcile support for enterprise with the high pay and profits that reward success in the free market. But meddle with pay and profits, and people will lack the incentive to generate wealth and drive for efficiency.

Some utility regulators seem to have caught the new anti-profit mood. The rail regulator yesterday launched an early review of Railtrack's access charges, hinting that it might penalise the company unless it agreed to cut them. The water regulator has lashed out at the level of dividends the industry is paying.

All this is cause for concern but not alarm. Labour's attacks on privatised utilities, though misplaced, are hardly new. Mr Smith's lottery campaign is more worrying, especially if he reflects the views of Labour's high command. Fortunately, Mr Tony Blair seems less keen on profit-bashing than forging links with business. But investors cannot rest at ease until other members of government are singing the same tune.

Eurotunnel

On the face of it, the high-profile shareholder group planning to vote against Eurotunnel's restructuring is proposing an insane gamble. The upside potential from a no vote (that the company might go away and squeeze a little more value from the banks) pales beside the more likely downside danger (no value for shareholders). The chance of significant new concessions from the banks, all 174 of which would have to agree, must be slim indeed.

But is this the shareholders' real aim? Far more likely, they have no real intention of voting down the restructuring when it finally comes to the crunch. Instead, they are surely playing at brinkmanship. And some of their demands – such as a right of veto for the current shareholders over any future restructuring, and a right to appoint directors – look well worth a try.

Drug distributors

Acquire in haste, write off at leisure. Three years ago Eli Lilly, Merck and SmithKline Beecham splashed out $13bn on "pharmaceutical benefit managers", which distribute drugs and process prescriptions. Now Eli Lilly is poised to write down the value of PCS, the distributor it bought for $4.1bn in 1994. Despite high hopes, it has become clear that owning a distributor has done nothing to boost sales of Lilly's drugs. And as a business, PCS is years away from covering an estimated $400m in annual interest costs and goodwill amortisation. Admitting to this blunder will be embarrassing for Lilly. But the discomfort should be mitigated by the fact that the write-off will reduce the goodwill charge, thus adding 1-2 per cent a year to earnings growth. Despite that temptation, its two rivals are unlikely to follow suit. Merck's $6.6bn Medco acquisition has been reasonably successful; with a strong position in mail-order prescriptions, Medco is a growing and profitable business. SmithKline's $2.3bn purchase of DPS may not have contributed anything to profits, but because of a clever tax deal it is at least no longer diluting earnings. And the company remains adamant that patient data from DPS will help its push into wider disease management.

All in all, however, the rush to buy PBMs still looks a rather sorry episode. Imagine how much value the three drug groups might have created by investing their $13bn in some biotechnology instead.

Boots

Boots shareholders have much to be grateful for. With the retail sector recently a minefield of bad news, the company has managed to turn in a steady 9 per cent increase in pre-tax profits. Even better, the management has stayed true to its shareholder value rhetoric by returning £400m to shareholders, and in a manner which allows pension funds to get their hands on tax credits – a special dividend, rather than a share buy-back. The fact that this has been sneaked in ahead of a possible cut in tax credits in the budget is simply the cherry on the cake.

On top of that, the company has good growth prospects, particularly at Boots Healthcare International, which develops and markets over-the-counter health products. Heavy promotional costs keep BHI in the red, but sales growth of over 20 per cent in Strepsils and Nurofen, the two leading products, is evidence that the payback is starting to come through. There are also encouraging signs that the core Boots the Chemist franchise is being successfully rolled out abroad.

Interest income foregone following the special dividend and the launch of a customer loyalty card will cost £30m this year, slowing earnings growth to around 6 per cent. But the underlying trend remains upward. This combination of stable performance and decent growth prospects warrants the share's 10 per cent premium rating over the market average. But with tax and interest rate worries on the horizon, further gains are unlikely.

Additional Lex on Nationwide, Page 25

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FINANCIAL TIMES
COMPANIES & MARKETS
Friday June 6 1997
Week 23

IN BRIEF

Eurotunnel plan faces rebellion

A group of institutional investors is launching a proxy campaign to block the £9bn ($5.5bn) debt restructuring which Eurotunnel, the Anglo-French operator of the English Channel tunnel, is negotiating with its banks. Page 20; Lex, Page 18

Dow Jones picks derivatives winners
The Chicago Board of Trade, the American Stock Exchange and the Chicago Board Options Exchange have won a bidding war for rights to trade derivatives based on the Dow Jones Industrial Average, the leading benchmark of the US stock market. Page 24

Dissidents seek Nationwide conversion
Nationwide, the UK's biggest mutually owned mortgage lender following Halifax's conversion to a bank, came under renewed pressure to demutualise. Rebel shareholders – led by a former royal butler – are putting up five candidates for the board. Page 25 and Lex

Boots plans £400m special dividend
Boots, the UK pharmacy chain, announced a £400.5m ($652.8m) windfall payout to shareholders to be made next week – before the Budget, in which some expect tax credits on dividend payments to be curtailed. Pre-tax profits rose 9 per cent to £536.2m on sales 11 per cent higher at £4.58bn. Page 25; Lex, Page 18

Polish copper sell-off begins
Poland's biggest industrial privatisation so far got under way with approval of a prospectus for KGHM Polska Miedz, the copper ore mining and smelting group, which is valued by the treasury at $1bn-$1.5bn. Page 21

Mining group's Russian hopes revived
Star Mining, the Australian mining company whose stake in a Russian gold mine was unexpectedly revoked by a court decision this year, could have its interest restored after Mr Victor Chernomyrdin, Russian prime minister, signed a government resolution. Page 28

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FRANKFURT (DM)			
Rises			
Altana	1059	+	59
[illegible]	675.5	+	9.5
Linde	1755	+	25
Preussag	475	+	9.5
Volkswgn Prf	908	+	21
Falls			
Viag	770	-	7.5
NEW YORK ($)			
Rises			
Fisher Sci	44	+	6¾
Smith Intl	59	+	2¾
The Talbots	28¾	+	1⅝
Falls			
Circ City	34⅛	-	3⅜
SGL Carbon	46	-	4¼
Ucar Intl	43½	-	4¾
LONDON (Pence)			
Rises			
Cater Allen	567½	+	121
[illegible]	557½	+	40
Galaxy Media	208	+	25
[illegible]	370	+	72½
Falls			
DCS Group	275	-	28½
Danka Group	227½	-	73
TORONTO (C$)			
Rises			
CHC Helicp B	24.6	+	1.0
Cognos	45.7	+	3.1
[illegible]	14.6	+	1.8
Falls			
[illegible]	4.75	-	0.8
[illegible]	14.0	-	1.5
TCL Compusat	3.0	-	0.35

PARIS (FFr)			
Rises			
Accor	887	+	48
Chrstn Dior	925	+	26
Geophysique	510	+	22
Sanofi	546	+	30
Total B	547	+	19
Falls			
[illegible]	495	-	14
TOKYO (Yen)			
Rises			
Dowa Mining	451	+	13
Koito Mnf	899	+	19
Falls			
[illegible]	751	-	14
[illegible] Foods	641	-	23
[illegible]	858	-	18
[illegible]	951	-	19
HONG KONG (HK$)			
Rises			
Bk E Asia	28.95	+	0.9
China Light	44.2	+	1.1
SHK Ppt	97.0	+	0.75
Swire Pac A	70.75	+	1.5
Falls			
HSBC Hlds	227.0	-	1.0
Hutch Whamp	83.25	-	1.5
BANGKOK (Baht)			
Rises			
[illegible]	28.75	+	2.25
[illegible]	44.0	+	4.0
[illegible]	46.0	+	4.0
Falls			
[illegible]	29.75	-	3.25
[illegible]	27.0	-	2.5
Thai CPP	28.0	-	3.0

New York and Toronto prices at 12.30pm.

Share placing and buy-back deals concluded with Australian brewer

BHP and Asahi quit Foster's

By Nikki Tait in Sydney

BHP, the Australian resources group, and Japan's Asahi Breweries yesterday secured their long-awaited exit from Foster's Brewing, the Melbourne-based drinks group, in a A$2.15bn (US$1.6bn) deal.

BHP sold the bulk of its 36.5 per cent Foster's stake – 616.6m shares out of the 716.6m held – to J.B. Were, the Australian stockbroking firm, and the Dutch-owned ABN Amro bank, with the stock due to be placed among institutions at A$2.49 a share.

Meanwhile, Foster's said it would buy back the 245.5m shares held by Asahi in its 13 per cent stake, at the same A$2.49 price. Foster's will pay A$625m, with Asahi bearing some costs. This will require approval by Foster's shareholders.

The placing and buy-back price was pitched at a 5 per cent discount to the opening price for Foster's shares yesterday morning. But analysts expressed some disappointment at the price secured by BHP, which will book only a A$75m gain on its stake.

The "Big Australian" had written down its holding in Foster's by A$542m in 1995, and held the shares at the equivalent of A$2.33 a share. Yesterday, its shares slipped 14 cents, to A$18.83. The company plans to sell its remaining 100m shares in Foster's to its own shareholders in a non pro rata entitlement offer after September.

Foster's said it would fund the buy-back from Asahi out of resources. This will have a positive effect on earnings per share, but push the company's gearing to about 70 per cent. However, Mr Ted Kunkel, chief executive, said this would represent a "very comfortable level" for Foster's.

"Debt is significantly cheaper than equity these days," he said.

Five Foster's board directors associated with Asahi and BHP will resign, but Foster's said it did not expect distribution arrangements with the Japanese company to be affected. Foster's shares were suspended at A$2.60 shortly before the announcement.

The sale of the BHP holding in Foster's closes a traumatic period for the resources group. This started in the late 1980s when Australia's largest company became the subject of predatory interest from the late Robert Holmes à Court and Mr John Elliott, the Melbourne-based businessman.

BHP escaped but, in resolving the tangled situation, acquired an interest first in Mr Elliott's Harlin group, and then later in Foster's, which emerged as the main corporate entity from the businessman's former empire.

Asahi bought into Elders IXL (Foster's predecessor company) in 1990 for about A$960m. Its stake was once 19.9 per cent. Asahi also sold a small number of shares last year.

Foster's still holds a 49.9 voting stake in Beswick, a private company which housed the stake Mr Elliott had acquired in BHP in the takeover machinations. Beswick owns about 17 per cent of BHP.

Bulgari to open more stores and diversify

By Alice Rawsthorn in London

Bulgari, the Italian jewellery group, plans to open 20 stores worldwide over the next two years and diversify into products such as eyewear and leather goods.

Mr Francesco Trapani, chief executive, said the expansion was intended to make Bulgari "much more aggressive" in the global luxury goods market where rival jewellers, notably France's Cartier and Tiffany of the US, are already established.

Bulgari's plans coincide with a buoyant period for the luxury goods sector, which has enjoyed double digit growth in the past two years as markets have opened up in Asia, eastern Europe and Latin America.

Italian companies have been among the chief beneficiaries of the market's revival, led by Gucci and Prada, which are now counted among the hottest fashion labels of the 1990s.

Bulgari, which is still controlled by its founding family but is quoted in Milan and London, has been gradually expanding its interests.

The company first diversified from jewellery and watches in 1992 by launching a perfume. It has built up its retail network from 18 shops in 1992 to 57, most of which are owned by Bulgari rather than franchised.

Over the past three years, Bulgari has doubled its turnover to L448.8bn ($265m) in 1996 and trebled operating profit to L70.1bn. Mr Trapani said the company was ready to accelerate its expansion.

Bulgari launched a range of silk scarves in Italy and Japan late last year, and recently introduced them to the rest of the world. It plans to launch its first eyewear collection in Italy this year and elsewhere next spring.

The leather goods range is due to go on sale at the same time as eyewear. The next new product line will be china and crystal tableware.

Mr Trapani said Bulgari's new products would occupy the same niche at the top of the luxury goods market as its jewellery and watches.

Bulgari, which recently formed an alliance with Ferragamo, the Italian leather company, to develop cosmetics and perfumes, controls the manufacture of all its new products, except for eyewear, which is licensed.

EdP offer upsets foreign investors

By Peter Wise in Lisbon

Yesterday's decision by the Portuguese government to reserve more than 60 per cent of its initial public offer in Electricidade de Portugal for domestic investors has disappointed international institutions.

Portugal, which will sell 30 per cent of its national power utility, is offering more shares than originally expected to the domestic market, following heavy demand from small savers. International investors are likely to receive only a small fraction of the shares they have ordered.

Mr António Sousa Franco, the finance minister, said 55.5 per cent of the 180m shares on offer would be reserved for small investors, 7 per cent for Portuguese institutions and 37.5 per cent for international institutions.

"The government appears to have opted to privilege the domestic retail market to create a 'feel-good' factor for subsequent privatisations," said a London-based analyst.

The government had indicated the offer would be split half and half between the domestic and international tranches. Mr Sousa Franco said 750,000 individuals, 7.5 per cent of the population, had applied for EdP shares, creating a critical mass of shareholders to support the development of the Lisbon stock market and establishing equity investment as "a sound alternative for small savers".

The government, authorised to sell up to 49 per cent of EdP, could easily have placed more than 30 per cent in the offer, a slight increase from the 25-27.5 per cent that was initially expected to be offered.

But analysts said it wanted to hold back a sufficiently sizeable stake for a secondary offering, planned for 1999, by which time EdP should have gained considerably in value.

The offer, co-ordinated by ABN-Amro Rothschild, Goldman Sachs and Banco Português do Investimento, has been priced at Es1,750-Es2,250 a share, at the low end of expectations, and will raise Es315bn-405bn ($1.8bn-2.3bn). The final price is to be fixed on June 16.

Small investors alone have ordered more than 3.2bn shares. This is enough to buy the entire company, Portugal's biggest, more than five times over. A Lisbon banker said the level of retail demand was considerably greater than in similar privatisations in the UK, France and Germany, where an average of 3-4 per cent of the population applied for shares.

Demand from international institutions is also massive, according to brokers. "Everybody wants to buy into EdP," said a London dealer. "The after market will be extremely strong and many institutions will be hoping to increase their stake when retail investors sell after making early gains."

Pilkington to shed 2,000 jobs

By Ross Tieman in London

More than 2,000 jobs are to be axed at Pilkington plants across Europe as Mr Paolo Scaroni, the company's new chief executive, launches a drive to make it the world's lowest cost glassmaker.

An accelerated cost-cutting programme will target the group's 11 European flat glass plants, with the goal of reducing the average staff of 260 by 100.

Management of the UK-based group, pioneer of the float glass process, with more than 40 plants worldwide, will be streamlined and reorganised.

The company will also review prospects for its 220 glass-processing businesses, many of them bought by Mr Roger Leverton, the previous chief executive. He was ousted in a boardroom coup two weeks ago to make room for Mr Scaroni's elevation from head of Pilkington's automotive business after the board decided restructuring was going too slowly.

Under Mr Scaroni, Pilkington would concentrate on "clarifying our management structure and reducing the overheads which are killing us", he said.

The outline of Mr Scaroni's strategy was revealed yesterday alongside sharply reduced profits for the year to March 31. Underlying pre-tax profits fell 38 per cent to £132m ($215m), in line with the £130m forecast that accompanied Pilkington's third profit warning of the year in March.


Paolo Scaroni, Pilkington chief-executive Picture: Brendan Corr

After more than £40m of exceptional charges to speed up the company's restructuring, the final pre-tax profit was £77m, against £55m after even heavier exceptional charges in the year to March 1996.

Earnings per share after exceptional charges were just 0.2p, against a loss of 2.9p a share in 1996. A final dividend of 3.25p a share is proposed, making 5p, unchanged for the year.

The company blamed a 20 per cent fall in building glass prices in Germany and an 8 per cent fall in the UK for a slump in building glass operating profits from £161m to £80m.

Mr Scaroni said prices were unlikely to harden.

Shares in Pilkington fell 7p to 117p as analysts trimmed their forecasts for this year and next by more than 10 per cent. Kleinwort Benson is now predicting pre-tax profits of just £120m for this year, rising to £195m in 1999.

Mr Scaroni revealed that trade union agreement has been reached on a plan to shed 1,000 workers from Pilkington's automotive glass operations, some 17 per cent of the workforce.

Venezuelan oil licences attract $1.9bn in tenders

West's largest proven reserves succeed in securing record bid

By Raymond Colitt in Caracas and Robert Corzine in London

Investors have bid a record amount of cash in Venezuela's week-long tender for oil operating licences, which ends today, to secure their access to the western hemisphere's largest proven oil reserves. More than 130 companies bid in excess of $1.9bn for rights to operate 14 out of 20 fields.

According to Mr Luis Giusti, president of the state-owned oil company Petroleos de Venezuela (PDVSA), bids were expected to total about $1bn. Operating contracts for the remaining fields, including one of the largest, will be auctioned today.

The largest bid so far came from the UK's Lasmo, whose $453m bid to operate the Dación oil field in eastern Venezuela, was higher than 11 others. Lasmo's bid beat the second-highest offer, from Argentina's Perez Companc and Canada's Norcen Energy Resources, by $51m.

Lasmo won a 100 per cent stake in a 20-year contract to rehabilitate oil fields in an area where a subsidiary of state-owned Petroleos de Venezuela has extracted 300m barrels of oil – or 14 per cent of the 2.2bn barrels of estimated reserves – since the 1940s.

Mr Joe Darby, Lasmo's chief executive, said the company was confident it would be able to boost production at Dación from 12,500 barrels a day to 90,000 b/d within three to four years. Lasmo currently produces 185,000 b/d worldwide.

Spain's Repsol paid $330m for the rights to operate Mene Grande oil field in the western state of Zulia. Repsol outbid seven other consortia, including a consortium led by US-based Chevron with the second-highest bid at $187m.

The 31 national investors also made a strong showing. While most bid in consortia with foreign oil companies, one all-Venezuelan group made up of PBE Trading and the industrial parts manufacturer, Pivensa, won rights to operate the Mata oil field with a $90m bid, leaving groups led by Argentina's Perez Companc and Amoco Production Company, respectively, as runners-up.

Venezuelan food and beverage conglomerate Empresas Polar snatched up operating rights to two fields in consortia with US oil company Arco and domestic operator Inelectra with a total bid of $121m.

"Food and beverage continues to be our core business, but we see an excellent opportunity in aggressively reinvesting profits in this [oil] opening," said Mr Lorenzo Mendoza, executive director of Polar.

Under the 20-year contract, the operators will produce oil and other hydrocarbons on behalf of subsidiaries of PDVSA. The contract also stipulates a minimum capital investment depending on each area.

Investors try to block Eurotunnel plan

By Andrew Jack in Paris

A group of institutional investors is launching a proxy campaign in an effort to block the restructuring proposed last week by Eurotunnel, the operator of the Channel tunnel.

The action could jeopardise the £9bn ($5.5bn) debt restructuring under negotiation, and force Eurotunnel's banks to take a larger debt write-off and modify the company's equity to preserve the powers of existing shareholders.

The campaign is being co-ordinated by Ms Sophie L'Hélias, of Franklin Global Investors Services, the French corporate governance consultancy. Ms L'Hélias helped rally enough investors at Eurotunnel's annual meeting last year to form a blocking minority.

"We are going to vote no to the proposals," she said. "We are fundamentally opposed to them. This is not an emotional reaction but a rational, reasoned analysis. Either we roll up our sleeves and come up with a new plan, or the company goes bankrupt."

She argued that with the support of her institutional investor clients – which she would not name – and more than a month to rally individual shareholders ahead of an extraordinary meeting on July 10, there was a strong chance that the proxy campaign could obtain sufficient votes to block the deal.

The restructuring plan requires the approval of two-thirds of shareholders, as well as all 174 creditor banks.

Mr Patrick Ponsolle, Eurotunnel chairman, has called on investors to support the deal as the best option. However, the analysis by Ms L'Hélias and her clients suggests that the plan simply lengthens the pay-back period on the debt. She wants the banks instead to write off 25 per cent of the total, which she argues would cost them nothing since they have already made provisions far in excess of this amount.

Ms L'Hélias is also calling for the banks to withdraw their so-called "right of substitution" – which gives them the right to appoint another operator of the tunnel in place of Eurotunnel until they have been fully reimbursed.

She wants Eurotunnel to create a new category of shares for the banks, which will become investors under a debt-for-equity swap, with any future votes requiring the support of both categories of shares. This will ensure that existing shareholders maintain some power after the restructuring.

In addition, she wants to create a committee to oversee the restructuring, and to ensure that the Eurotunnel board includes a number of directors who are independent of the banks.

● The number of passengers using the Eurostar train service through the Channel tunnel in May rose 15 per cent compared with May last year, to 491,457, according to figures released yesterday. The number of tourist vehicles using Le Shuttle rose 1.3 per cent over the same period, to 156,559.

See Lex

Belgium backs creation of 'super utility'

A Tractebel-Electrabel union has been mooted, but questions arise about loss of national control

Belgium has not, so far at least, got its Big Bank. But perhaps it may get its Big Utility.

The government has made clear since 1995 that it would like to see two or more Belgian banks merge into a *Grande Banque Belge* with the weight to compete internationally in a single-currency Europe.

Despite intense speculation, the most likely merger, of Générale de Banque and Banque Bruxelles Lambert, has been blocked by shareholder opposition.

Now the government has made public its support for a merger of two of Belgium's biggest companies, Tractebel and Electrabel, to create a super-utility capable of competing in the soon-to-be-liberalised European energy market. This time, analysts think it could happen.

A merger of Tractebel, the utilities and industrial services group, with Electrabel, the electricity group which is already Belgium's biggest company by capitalisation, would create a BFr500bn ($14bn) utilities giant.

The commercial logic is clear. Tractebel, capitalised on Wednesday at BFr213bn, has an international portfolio spanning electricity and gas, industrial services, engineering and property.

But it already owns 39 per cent of Electrabel, capitalised at BFr423bn, and electricity generation in Belgium and elsewhere accounts for two-thirds of its revenues.

A merger would allow the powerful cash flow from Electrabel's Belgian activities to be channelled into Tractebel's aggressive international expansion. It has power and gas projects in 16 countries including Argentina, Kazakhstan, Chile and Hungary.

Whether the global player that emerged would be controlled by Belgium or France is, however, less certain.

Tractebel's ultimate parent is France's Compagnie de Suez, which controls the Belgian utility via its stake in Société Générale de Belgique, Belgium's biggest holding company.

The merger of Suez and French utility Lyonnaise des Eaux, due for completion on June 19, has provoked Belgian concerns about a possible conflict of interests.

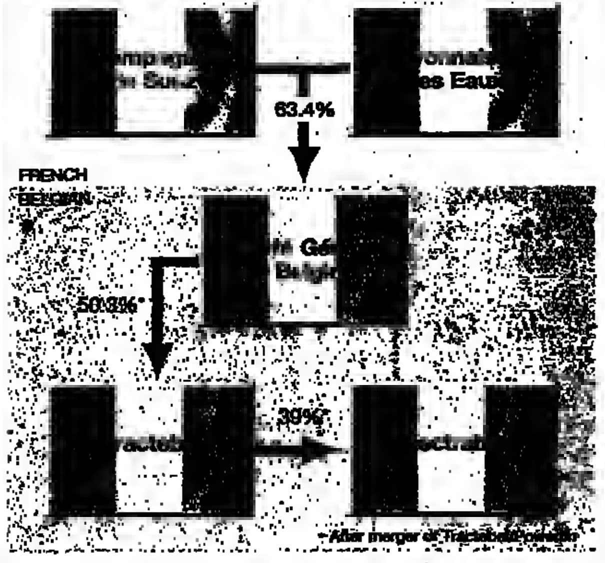
Although the overlap between the Tractebel and Lyonnaise utility businesses is limited mainly to waste management, the Belgian government fears Tractebel's expansion could be curtailed in favour of its French co-parent.

It was at a meeting in March with Mr Gérard Mestrallet, Suez chairman, and Mr Etienne Davignon, SGB chairman, to discuss these concerns that Mr Jean-Luc Dehaene, Belgian prime minister, proposed a Tractebel-Electrabel merger – news of which leaked out this week.

Camera Press

Prime minister Jean-Luc Dehaene: proposed merger

Power games: French & Belgian utility links



"The prime minister said they should think about a merger, to safeguard Belgian interests and the autonomy of Tractebel," his spokeswoman said.

Tractebel has already taken steps to preserve its autonomy. It will announce new independent directors and changes in its statutes at its annual meeting this month.

It has launched a merger with its two-thirds owned subsidiary Powerfin – previously the vehicle for its international activities – that will dilute SGB's, and hence Suez's, stake in Tractebel from 65 to 50.3 per cent.

But a mega-merger with Electrabel would dilute Suez-SGB's stake further to about 25 per cent – and here may be the sticking point.

Suez and SGB issued a joint statement on Wednesday confirming they had "no objection in principle" to a Tractebel-Electrabel tie-up, but would expect SGB to maintain "majority control".

That would remove one of the main incentives for a link, at least for Tractebel and the Belgian government. It would leave the supposedly Belgian super-group controlled by French parents – even though the Belgian group would be the bigger of the two.

It would not, however, affect the overall logic of the deal, and analysts suggest the Belgian groups would in any case be better able to defend their interests if they united.

SGB also indicated that its price for supporting a merger would be for the Belgian government to end the fixing of Belgian electricity and gas prices by a four-person monitoring committee. That would be an important prize for Electrabel, which says price cuts imposed by the regulator last April will knock BFr1.3bn off its annual revenues.

The government has no stake in either Tractebel or Electrabel which would enable it to apply pressure for merger. All sides insist no talks have been held, but insiders suggest a feasibility study may soon take place.

A Tractebel-Electrabel merger would complete the process of transforming Tractebel from holding company to operational group. And that, after the recent division of the assets of Belgium's fourth largest holding company, Gevaert, between the third largest, Almanij, and fifth largest, Cobepa, could prompt further consolidation in Belgium's labyrinthine network of holding companies.

It could similarly pose questions about the role of the once-mighty SGB, which would be little more than an extra shareholding layer between two powerful groups.

"SGB these days is just a parking lot for various Suez holdings," says a senior Belgian banker.

If Tractebel swallowed Electrabel, suggest some analysts, it might end up digesting SGB as well.

Neil Buckley

H&M listing downgrade hits market value

By Greg McIvor in Stockholm

Some foreign institutions may be forced to sell their stakes in Hennes & Mauritz after the Swedish fashion retailer yesterday downgraded its Stockholm stock exchange listing in protest at new domestic tax rules.

The company, a darling of the Swedish stock market in the past two years, is the most prominent of several A-listed companies recently seeking to join the bourse's 'O', or unregistered, list.

H&M's market value tumbled 7 per cent yesterday following the news. The company, which has a large chain of stores across Europe, was the second-most heavily traded stock in Stockholm, falling SKr18.50 to SKr234.50.

The move from the A-list follows a sharp increase by the government in wealth tax on shareholders which has particularly hit individuals with large personal holdings, such as Mr Stefan Persson, H&M's founder and controlling shareholder.

The O-list, until now reserved for smaller, emerging companies, is exempt from wealth tax.

H&M's move could affect the level of foreign investment in the company, currently running at about 20 per cent of its stock. Some foreign institutions, particularly US mutual funds, are barred from investing in companies which do not have a full stock exchange listing.

Last year the government decided to extend the wealth tax to cover 100 per cent of individuals' shareholdings, up from 75 per cent. The wealth tax rate is 1.5 per cent. H&M said this meant Mr Persson could face a total tax burden of more than his annual income. This would force him to reduce his stake in H&M to pay his annual tax bill, the company said.

Mr Jan Jacobsan, chief financial officer, admitted there was a risk of lower liquidity in the shares if foreign investors were forced to sell stakes. But he added: "Companies listed on Nasdaq, the US over-the-counter market, do not have a full listing and they seem to manage fine so why shouldn't we?"

Mr Thomas Ostros, Sweden's taxation minister, yesterday rejected calls for a review of the rules.

Alitalia set to sell Malev stake

By Kester Eddy in Budapest

The Hungarian privatisation agency is seeking government approval to repurchase a 30 per cent stake in Malev Hungarian Airlines held by Alitalia, the Italian flag carrier.

Alitalia paid $77m for the shares in late 1992 but the partnership has not flourished. "The two airlines do not have much to offer each other. Alitalia has enough internal troubles and Malev is pretty problematic," said Mr Pal Szabo, the agency's managing director.

He said Alitalia had agreed to pull out, subject to negotiations on a buy back price. The agency then intends to re-privatise Malev, partly through a public offering.

Malev had 1996 pre-tax profits of Ft438m ($3m) last year on income of Ft55.6bn. The number of passengers flying with the airline rose 21 per cent in 1996 from the 1995 total of 1.3m.

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THE MALAYSIA CAPITAL FUND LIMITED

International Depositary Receipts (IDRs)
issued by
Morgan Guaranty Trust Company of New York

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of The Malaysia Capital Fund Limited (the "Company") will be held at the offices of MeesPierson (Cayman) Limited, British American Centre, Phase 3, Dr Roy's Drive, Grand Cayman, Cayman Islands, British West Indies on 27th June 1997 at 10.30 am for the purpose of considering, and if thought fit passing, the resolution set out below as a Special Resolution:

Special Resolution

"That the Company be wound up in accordance with Article 127 of the Articles of the Association of the Company and that the Directors be and are hereby authorised to take all steps necessary or desirable to effect the winding up of the Company."

Continuation of the Company

Article 127 of the Articles of Association of the Company requires the Directors of the Company to convene an extraordinary general meeting of the shareholders of the Company to be held during the month of June 1997 to consider a special resolution to wind up the Company. If the shareholders decide not to wind up the Company at the June 1997 extraordinary general meeting then in accordance with Article 129 the Company will continue in existence and the Directors shall convene an extraordinary general meeting in June 2004 to reconsider a resolution to wind up the Company.

Directors' Recommendation

Although they are required to propose the special resolution, the Directors are opposed to the winding up of the Company and recommend that shareholders should **Vote against the Special Resolution**

Your Directors recommend to continue the existence of the Company as given its strong performance. The Directors believe the Company continues to offer an attractive route for investment in Malaysia.

The performance of the Company has been very rewarding to shareholders over recent years. Not only did the Company manage to increase the Net Asset Value per share by 29% over the last two years, the Company also outperformed its benchmark, the Kuala Lumpur Composite Index. In the current financial year, ending 31st March 1997, the Company's Net Asset Value per share has risen by 14.6%. This compares favourably with the rise in the Kuala Lumpur Composite Index of 7.0%. The broader EMAS Index rose 11.1% in the same period. (All percentages mentioned are based on US dollar figures).

By Order of the Board
MeesPierson Fund Services (Asia) Limited
Assistant Secretary

Registered Office:
PO Box 2003, British American Centre,
Phase 3, Dr. Roy's Drive, Grand Cayman,
Cayman Islands, British West Indies

VOTING ARRANGEMENTS FOR IDR-HOLDERS

IDR-Holders who wish to vote must follow the following procedure.

If the IDRs are held in an account with Euroclear or Cedel, IDR-Holders must contact Euroclear or Cedel instructing them to block the IDRs in the IDR-Holder's account until conclusion of the meeting and specify the manner in which the votes attributable to the IDRs should be cast.

If the IDRs are not held through Euroclear or Cedel, IDR-Holders must ensure that their voting instructions, together with either their IDRs or their bank's confirmation of deposit (including IDR serial numbers), reach the Depositary at the latest on June 20th 1997 at the address given below (attention Securities Department - telephone 322 508 86 43 - telex 21752 MORBK).

Copies of a circular from the Company containing the Notice of Extraordinary General Meeting are available from the Company's registered office and the Depositary at the address indicated below.

Depositary: Morgan Guaranty Trust Company of New York
35, Avenue des Arts, 1040 Brussels

JP Morgan

Templeton

Templeton Global Strategy Funds
Société d'investissement à capital variable
26, boulevard Royal, L-2449 Luxembourg
R.C. B 35 177

Shareholders of Templeton Global Strategy Funds (the "Company") are hereby informed that the Board of Directors of the Company has determined that the Templeton American Fund (the "Fund") will be renamed Franklin Mutual Beacon Fund and that its investment objectives and policies will be amended, with effect from July 7, 1997 (the "Conversion Date").

After the Conversion Date, the main features of the Fund will be as follows:

- The primary objective of the Fund will be capital appreciation. A secondary objective will be income. The Fund will pursue its objective primarily through investments in common stock and preferred stock as well as debt securities and securities convertible into common stock (including convertible preferred and convertible debt securities). The Fund will have no pre-set limits as to the percentage of its portfolio which may be invested in equity securities or debt securities. Generally, at least 70% of the Fund's assets will be invested in securities of U.S. issuers. The opinions of the Investment Manager (see below) are based upon analysis and research, taking into account, among other factors, the relationship of book value (after taking into account accounting differences among countries) to market value, cash flow, multiple of earnings of comparable securities, credit worthiness of issuers, as well as the value of collateral securing a debt obligation, with the objective of purchasing equity and debt securities at below their intrinsic value. The Fund will also seek to invest in the securities of companies involved in mergers, consolidations, liquidations and reorganizations or as to which there exist tender or exchange offers, and may participate in such transactions. Within the limits established by the investment restrictions, the Fund may purchase indebtedness and participations therein, both secured and unsecured, of debtor companies in reorganization or financial restructuring. Such indebtedness may be in the form of loans, notes, bonds or debentures. The base currency of the Fund will be U.S. Dollars.
- It is anticipated that under normal circumstances distributions will be made annually in the case of the Shares relating to the Fund.
- Franklin Mutual Advisers, Inc. will act as investment manager (the "Investment Manager") to the Fund.
- The Investment Manager will receive from the Company a monthly fee equivalent to 1.30% per annum of the Fund's average daily net assets during the year.
- The Shares of the Fund will be offered as Class A and Class B Shares and will be available in registered and bearer form (Class A Shares) or in registered form only (Class B Shares).

Shareholders who do not concur with these changes may, from June 6, 1997 and until the Conversion Date, continue to request, free of charge, the redemption of their Shares of the Fund or the exchange of such Shares into Shares of other Funds of the Company, details of which can be found in the current Prospectus (provided that such Funds have obtained recognition for marketing in the Shareholders' jurisdiction).

For further information, Shareholders are invited to contact their nearest Templeton office:

Edinburgh	Frankfurt	Hong Kong	Luxembourg
Tel:	Tel: (49) 69 272 23 272	Tel: (852) 2877 7733	Tel: (352) 46 66 67 212
Toll-free from U.K.	Fax: (49) 69 272 23 120	Fax: (852) 2877 5401	Fax: (352) 22 21 60
0800 305 306			
International			
(44) 131 469 4000			
Fax: (44) 131 228 4506			

The Board of Directors

NOTICE OF INTEREST RATE CONVERSION

International Bank for Reconstruction and Development
(the "Bank")

Italian Lire 200,000,000,000
Variable Rate Notes due 2001 (No. 01)
(the "Notes")

NOTICE IS HEREBY GIVEN that, pursuant to Condition 6(e) of the Terms and Conditions of the Notes and Condition 13(B) of the Pricing Supplement dated June 21, 1994, the Bank will exercise its option to convert the interest basis of the Notes to 6-month Eurolire (ITL) Libor, effective June 28, 1997.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
By: Morgan Guaranty Trust Company of New York
as Global Agent
Dated: June 6, 1997

NOTICE OF EARLY REDEMPTION

To the Holders of Den norske Bank ASA
(the "Bank")

U.S.$50,000,000

Subordinated Floating Rate Notes due 2002
(the "Notes")

NOTICE IS HEREBY GIVEN that in accordance with Condition 6 (C) of the Notes, the Bank will redeem all of the outstanding Notes at par on the Interest Payment Date falling on July 9, 1997.

Consent for this early redemption has been obtained from the Banking, Insurance and Securities Commission of the Kingdom of Norway, as required under Clause 6 of the Forty-Ninth Supplemental Trust Deed constituting the Notes.

June 6, 1997, London
By: Citibank, N.A. (Corporate Agency & Trust), Principal Paying Agent
CITIBANK

مكتبة الاصل

هيكلة دين الاصول

EUROPEAN NEWS DIGEST

Outokumpu sees full-year advance

Outokumpu, the Finnish mining and metals group, forecast "markedly better" full-year profits for 1997 and announced a sharp improvement in four-month profits.

Pre-tax profits rose from FM305m to FM502m ($96.6m) as the group benefited from growth in its main base metals and stainless steel operations. Outokumpu, hit last year by a big fall in stainless steel prices, said market conditions and prices had improved in the first four months. Prices were still well below levels in the same period last year, but seemed likely to rise during the rest of the year.

Group turnover was FM6.2bn, against FM5.8bn. Outokumpu said growth was broad-based but fastest in the US, south-east Asia and China. Growth in metals consumption, which has been depressed by a sluggish economy, resumed. *Greg McIvor, Stockholm*

Auditors say loan saved BA unit

Deutsche BA, the German division of British Airways, faced bankruptcy at the end of the last financial year but was saved by a loan from its British parent, according to an internal auditors' report leaked to the German press.

According to the report by Ernst & Young, Deutsche BA faced debts of DM277m ($160m) by the end of the 1996 financial year, but British Airways stepped in with a DM340m interest-free loan to help save the company.

This is the first time that figures showing the losses faced by Deutsche BA have come into the public domain. The company has admitted that it has been struggling with losses amid fierce competition with rivals such as Lufthansa, the German airline, but has so far refused to give details. *Graham Bowley, Frankfurt*

Brewpole denies sale plan

Brewpole, which is owned by a group of private Australian investors, has denied it is seeking a buyer for its $200m holding in Elbrewery and Hevelius, two Polish companies which own three breweries in northern Poland and have a more than 16 per cent local market share. Brewpole, which is partnered by Grolsch, the Dutch brewing group, said reports that it was looking to sell out were "absolutely without foundation". *Christopher Bobinski, Warsaw*

Crédit Agricole proposes bid

Crédit Agricole, the French mutualist banking group, has proposed making an agreed bid for control of Bankoa, based in the northern Spanish city of San Sebastián, the Spanish bank said yesterday.

The acquisition of Bankoa, with 33 branches and a current market capitalisation of Pta7.39bn ($50.2m), would be a further step in the French group's policy of building a presence in Spain through the Basque region. It bought a brokerage business in the region last year. Trading in Bankoa shares, which are listed on the Bilbao stock exchange and the open-outcry market in Madrid, was suspended yesterday by the CNMV securities commission. *David White, Madrid*

Nestlé sales ahead 18%

Sales at Nestlé, the Swiss food group, rose more than 18 per cent in the first four months of 1997 from the year-earlier period, the chairman, Mr Helmut Maucher, said. He expected higher volume growth this year, and was confident Nestlé would meet its profit targets for 1997. *Reuter, Lausanne*

Repsol names new directors

Repsol, the recently privatised oil, gas and chemicals group, yesterday appointed four outside directors to its 15-member board in place of government appointees who represented the former state-owned equity. The move marks a further advance in Spain of the corporate governance principle of protecting the interests of mainstream shareholders. Repsol's new board members include Mr Juan Antonio García Diez, chairman of the Uralita industrial conglomerate, and Mr Ignacio Bayón, chairman of Citroën Hispania, the French car manufacturer's subsidiary in Spain. *Tom Burns, Madrid*

Vedior debut beats forecast

Shares in Vedior, the Dutch employment services group, made a strong start in Amsterdam yesterday, rapidly rising from the issue price of Fl 39 to Fl 48, much higher than expected by analysts. The shares were floated by majority shareholder Vendex International, the Dutch retail company, as part of a corporate break-up. Vendex said interest in the Vedior shares had been "overwhelming", coming from both retail and institutional investors, and that the issue had been 30 times oversubscribed. *Barbara Smit, Amsterdam*

KGHM privatisation wins official approval

By Christopher Bobinski in Warsaw

Poland's largest industrial privatisation to date got under way yesterday when the country's securities commission (KPW) approved a prospectus for KGHM Polska Miedz, the copper ore mining and smelting conglomerate which accounts for about 4 per cent of world copper output.

The sale of KGHM, which has been valued by the treasury at between $1bn and $1.5bn, is due to start on June 30.

It will coma 10 days after the closure of the privatisation of the Bank Handlowy, one of the country's largest banks. Handlowy stock worth $660m is currently being offered to foreign institutional investors as well as domestic retail clients and institutions.

The sale of KGHM has a chequered history dating back to the early 1990s when bids by both Western Mining of Australia and Asarco, the US metals group, to become strategic investors in the company were blocked by management and workers despite the government's efforts to complete the sale.

The privatisation only became a real possibility when plans to bring in an outside investor were dropped and the powerful trade unions in the plant accepted a strategy under which up to 15 per cent of the equity is to be handed to the 20,000-plus workforce.

Under the present offer – in which the government is being advised by a consortium composed of BZW, UBS and the local Wielkopolski Bank Kredytowy (WBK) – the employees will have to retain their stock for two years.

Meanwhile, retail and institutional investors at home are being offered 15 per cent, and up to 26 per cent of the equity will be placed with financial institutions abroad. Domestic retail investors are being offered a 3 per cent discount on the price paid by institutions.

The stock is to be allocated by July 7.

Merrill Lynch and Robert Fleming are acting as co-lead managers of the sale, and the co-managers include Creditanstalt, Commerzbank and ING Barings.

The sale comes as world copper prices bava recovered to about $2,500 a tonne, with KGHM reporting its present average copper production cost at about $1,900 per tonne.

Last yaar KGHM producad 425,000 tonnes of copper.

The company, which also has a potentially lucrative stake in Polkomtel, a cellular telephone operator, reported a 149m zlotys ($46.6m) net profit last year. This marked a big drop on net profits of 514m zlotys in 1995.

KGHM also produces gold and silver and has begun to invest in Poland's cable manufacturing industry.

Analysts at Merrill Lynch, valuing KGHM at between $1.1bn and $1.3bn, predict that production costs at the company will be cut about $1,430 per tonne by 2000 when the net profit is expected to reach 554m zlotys.

Break-up talk lifts KPN shares

By Barbara Smit in Amsterdam

Shares in KPN, the Dutch postal and telecommunications company, rose for the fourth day in Amsterdam yesterday as speculation intensified about an expected break-up of the group.

KPN shares closed last night at Fl 75, down from a high of Fl 75.60 in afternoon trading but up 10 per cent since the beginning of the week.

KPN has been studying a potential share split for the past six months and has promised to publish its decision before the end of the year. But speculation about an imminent separation increased yesterday after a report in a Dutch newspaper that Goldman Sachs and McKinsey, the management consultants, had both advised KPN's board to go ahead.

KPN confirmed it had asked McKinsey and Goldman Sachs to evaluate the advantages of a split, but declined to comment on the outcome of the studies and the date of any announcement. "It will come before the end of the year, but only when we are really ready," the company said.

Analysts have argued in recent months in favour of a split. PTT Post, KPN's postal business, once seen as a drag on the company, has gained momentum since it acquired the Australian transport group TNT last year. It now generates about half of KPN's total turnover.

Analysts also predicted that PTT Telecom, KPN's telecommunications arm, would come under increasing pressure in the next few years because of deregulation and falling prices.

"The split would give investors the opportunity to buy the promising postal stock without worrying about the telecoms side," said Mr Arjen Dibbets, analyst at MeesPierson. "Besides, there is hardly any synergy between the two branches, so there is absolutely no reason why they should be held together".

Underlying result hits Orkla shares

By Greg McIvor in Stockholm

Shares in Orkla, tha Norwegian conglomerate which is one of the country's biggest listed groups, tumbled yesterday after it reported a dip in underlying profits in its core divisions in the first four months.

Pre-tax profits rosa strongly, from NKr693m to NKr933m ($131m), but the increase was based on non-recurring gains.

Operating profits rose from NKr514m to NKr633m, but fell 12 per cent when adjusted for one-off items and currencies.

The figures were below market expectations and the most-traded A shares slid NKr42, or 7 per cent, to NKr568. Group sales rose from NKr8.3bn to NKr9.4bn and earnings per share were NKr13.50, against NKr10.10.

Orkla was hit by a sharp fall in profits at its chemicals division. Additionally, its branded consumer goods businesses – centred on its extensive food and beverages businesses – showed sluggish growth.

New formula needed: chemicals profits fell and pressure on Orkla is seen to be increasing

Analysts suggested the group – which has a record of strong profitability in recent years – was becoming increasingly exposed to international competition.

Additionally, the beverages division is likely to suffer beavy pressure on margins from the loss of the Nordic licence for production and distribution of Coca-Cola products, which terminated in April, although a severance settlement yielded a NKr380m net gain for Orkla.

"They will not be able to sustain the growth of the past few years in the next two to three," said Mr Henrik Schultz, consumer goods analyst at Den norske Bank in Oslo. However, Mr Schultz did not believe the company should narrow its operative focus, stressing that margins across Orkla's businesses remained sound.

Operating profits in beverages operations rose from NKr45m to NKr73m, while those at the foods division rose from NKr134m to NKr140m, despite a fall in sales from NKr3.4bn to NKr3.1bn.

In chemicals, the group suffered soft sales of fine chemicals and low speciality pulp prices. Operating profits slid from NKr153m to NKr79m on turnover flat at NKr1.7bn.

EURO TUNNEL

EUROTUNNEL P.L.C.
Registered Office: Cheriton Parc, Cheriton High Street, Folkestone, Kent CT19 4QS
Registered in England and Wales No.1980271
EUROTUNNEL S.A.
Société Anonyme with a share capital of FRF 9,195,534,190
Registered Office: 140-144 boulevard Malesherbes, 75017 Paris
RCS: Paris B 334 192 408

NOTICES OF GENERAL MEETINGS
These notices are to holders of Units in bearer form and, for information only, to holders of bearer Warrants.

Notice is hereby given that the Annual and Extraordinary General Meetings of Eurotunnel P.L.C. will be held on Thursday 10 July 1997 at 2.30 pm (local time) at the Palais des Congrès, 2 Place de la Porte Maillot, 75017 Paris or as soon thereafter as the Combined General Meeting of Eurotunnel S.A. to be held on the same day and at the same place shall have ended or have been adjourned, for the following purposes:

EUROTUNNEL P.L.C. (Annual General Meeting)
1, To receive the Directors' Report and the audited accounts.
2, Re-appointment of Patrick Ponsolle.
3, Re-appointment of Robert Malpas.
4, Re-appointment of Philippe Lagayette.
5, Re-appointment of Christopher Tugendhat.
6, Re-appointment of Guy de Wouters (*)
7, Re-appointment of Denis Child.
8, Re-appointment and remuneration of Auditors.
* Member of the Remuneration Committee.

EUROTUNNEL P.L.C. (Extraordinary General Meeting)
1. That, subject to and conditionally upon (i) the passing by Eurotunnel S.A. shareholders at the Combined General Meeting of Eurotunnel S.A. to be held at the Cercle National des Armées, 8 Place Saint-Augustin, 75008 Paris on 24 June 1997 at 9.30 a.m. (local time), or at any adjournment thereof, of resolutions 7 to 18 to be proposed at such meeting (a translation of which appears on pages 8 to 16 of the English language version of the circular to shareholders dated 29 May 1997 (the "Circular") accompanying the prospectus and listing particulars dated 29 May 1997 relating to the Company and Eurotunnel S.A. (the "Prospectus"); (ii) resolution 2 set out in the notice convening this meeting (the "Notice") contained in the Circular being passed; and (iii) the entering into, by all of its parties, of the Restructuring Agreement (as defined in the Prospectus and on the terms described in the Prospectus subject to any amendment, variation or modification thereto as the Directors or any duly constituted committee thereof may approve):

(a) each of the existing issued ordinary shares of 40p each in the capital of the Company be subdivided into and redesignated as one ordinary share of 1p and 39 non-voting deferred shares of 1p each having the rights and being subject to the restrictions set out in the articles of association of the Company adopted pursuant to sub-paragragh (c) of this resolution;

(b) each of the unissued ordinary shares of 40p each in the capital of the Company be sub-divided into 40 ordinary shares of 1p each forming one class with the ordinary shares of 1p each created pursuant to sub-paragraph (a) of this resolution;

(c) the articles of association of the Company in the form produced to the meeting marked "New Articles (1)" and initialled for the purpose of identification by the Chairman of the meeting, be adopted by the Company as the Company's articles of association to the exclusion of, and in substitution for, the existing articles of association of the Company;

(d) in substitution for any existing such authorities, the Directors be generally and unconditionally authorised pursuant to Section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80 (2) of the Act and so that references to the allotment of relevant securities shall be construed in accordance with the said section) up to an aggregate nominal amount of £23,000,000 provided that this authority shall expire on the date of the general meeting of Eurotunnel S.A. at which the accounts of that company for the year ending 31 December 1997 are approved, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired: and

(e) the Directors be empowered pursuant to Section 95(1) of the Act, in substitution for any previous such power, to allot equity securities (within the meaning of section 94 of that Act and so that references to the allotment of equity securities shall be construed in accordance with the said section) pursuant to the authority conferred upon them by sub-paragraph (d) of this resolution as if section 89(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall expire on the date of the general meeting of Eurotunnel S.A. at which the accounts of that company to the year ending 31 December 1997 are approved save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

2. That, conditionally upon resolution 1 set out in the notice convening this meeting (the "Notice") contained in the English language version of the circular to shareholders dated 29 May 1997 being passed and itself becoming unconditional:
(a) the issued share capital of the Company be reduced by £358,625,833.41 by the cancellation of all of the deferred shares of 1p each in the capital of the Company which result from the subdivision and redesignation provided for by resolution 1(a) set out in the Notice; and
(b) £629,076,166.59 of the amount standing to the credit of the share premium account of the Company be cancelled.

3. That subject to and conditionally upon the reduction of share capital provided for by resolution 2 set out in the notice convening this meeting (the "Notice") contained in the English language version of the circular to shareholders dated 29 May 1997 taking effect, the articles of association of the Company to the form produced to the meeting marked "New Articles (2)" and initialled for the purpose of identification by the Chairman of the meeting, be adopted by the Company as the Company's articles of association to the exclusion of and in substitution for the articles of association adopted by sub-paragraph (c) of resolution 1 set out in the Notice.

EUROTUNNEL S.A.
Notice is hereby given that the Combined General Meeting of Eurotunnel S.A. will be held on Tuesday 24 June 1997 at the Cercle National des Armées, 8 Place Saint Augustin, 75008 Paris to 9.30 am (local time), and in the likely event that a quorum is not obtained, the adjourned meeting will be held at the Palais des Congrès, 2 Place de la Porte Maillot, 75017 Paris on Thursday 10 July at 2.30 pm (local time), for the following purposes:
Agenda for the Annual General Meeting
1. To approve the annual accounts for the year ended 31 December 1996 and to grant a discharge to the Directors and Commissaires aux Comptes.
2. To make an appropriation to profit and loss.
3. To approve the contracts listed in the Special Report of the Auditors drawn up in accordance with article 101 of the law of 24 July 1965 on commercial companies.
4. To re-elect as a Director Mr Alain Bertrand.
5. To re-elect as a Director Mr Guy de Wouters.
6. To ratify the transfer of the registered office.
Agenda for the Extraordinary General Meeting.
7. To resolve not to wind up the Company following the loss of half of the share capital.
8. To approve the reduction of capital by a reduction in the par value of a share and corresponding amendments to the statutes.
9. To approve the financial restructuring plan.
10. To approve the principal conditions of the increase to capital.
11. To authorise the implementation of the increase in capital by way of a reserved issue to named beneficiaries.
12. To authorise the increase in capital in two tranches: first tranche open to shareholders with waiver of preferential subscription rights and rights of priority.
13. To authorise the increase in capital in two tranches: second tranche reserved to the lenders.
14. To authorise the increase in capital in two tranches: first tranche with preferential subscription rights.
15. To authorise the increase in capital in two tranches: second tranche reserved to the lenders.
16. To authorise the issue of Equity Notes by a subsidiary of Eurotunnel S.A. and redeemable in Eurotunnel S.A. shares, with waiver of preferential subscription rights.
17. To authorise the allotment of free warrants - 2003 warrants.
18. To authorise the allotment of free warrants - 2001 warrants.
19. To authorise amendments to the statute.
20. Delegation of powers for the completion of formalities.

INSTRUCTIONS FOR ATTENDANCE AND VOTING FOR HOLDERS OF BEARER UNITS
If you intend to attend meetings in person or to vote by post or by proxy, you must immobilise your Units at least 5 days before the meetings by notifying the bank or other institution through which your Units are held of your intention to attend and/or vote.
If you intend to attend the meetings in person, when you immobilise your Units, you should request an Admission Card through the bank or other institution through which your Units are held. If requested in sufficient time, you should receive an Admission Card before the meetings, in which case please bring it with you. If you do not receive your Admission Card, you may still attend the meetings provided that your Units are immobilised and you bring with you suitable evidence of your identity and of the immobilisation of your Units.
If you do not intend to attend the meetings in person, you may exercise your voting rights by using the combined proxy form and postal voting form. Copies of proxy and postal voting forms and other documents including the full text of the resolutions to be put to the meetings and sent to registered unit holders in connection with the meetings may be obtained from:
English language - (by post) Royal Bank of Scotland Plc, Registrar's department, PO Box 39, Caxton House, Redcliffe Way, Bristol BS99 7ZF, England: - (available for collection) Citibank, 111 Wall Street, New York, New York 10043, USA: The Nomura Securities Company Limited, 1-9-1 Nihonbashi, 1 Chuo-ku, Tokyo 103, Japan; Enskilda Fondkommission, Norrlandsgatan 15, PO Box 16067, Stockholm 10332, Sweden.
French language - (by post) Crédit Agricole Indosuez, 96 boulevard Haussmann, 75008, Paris, Générale de Banque, Montagne du Parc, 1000 Brussels, Belgium; Crédit Agricole Indosuez Belgique, 40 rue des Colonies, 1000 Brussels, Belgium.

By Order of the Board,
S.A. Walker FCIS.
Eurotunnel P.L.C.

The Board of Directors
Eurotunnel S.A.

NOTICE OF SPECIAL REDEMPTION

To the Holders of:

Restructured Obligations Backed by Senior Assets B.V. Secured Senior Floating Rate Notes due March 10, 1998 (the "Notes")
ISIN: XS0015372534

Pursuant to Section 9.03 of the Indenture dated as of May 1, 1990, as amended and restated as of June 15, 1990 (the "Indenture"), pursuant to which the above-referenced Notes were issued, notice is hereby given that on the June 10, 1997, Quarterly Payment Date (such date is herein referred to as the "Special Redemption Date") the Notes, in whole or in part, are subject to special redemption (the "Special Redemption") pursuant to Section 9.01(c) of the Indenture in order to effect principal payments thereof. Accordingly, on the Special Redemption Date, the Notes will be redeemed at an aggregate Redemption Price equal to 100% of the Senior Note Principal Amount available for such Quarterly Payment Date, plus the accrued interest thereon at the Senior Note Interest Rate through the day preceding the Special Redemption Date (the "Redemption Price").

It is expected that less than all of the Notes will be redeemed. The Indenture provides that under such circumstances, the particular Notes to be redeemed shall be selected by the Trustee from Outstanding Notes not previously called for redemption by lot. Holders of Euro-Notes will be selected via the procedures of Cedel and/or Euroclear. The amount of Principal Proceeds available to redeem Notes has been reduced so that the principal payments on the Notes to be redeemed shall be integral multiples of $500,000.

Installments of interest and principal due on or prior to a Redemption Date shall continue to be payable to the Holders of Notes to be redeemed as of the relevant Record Dates according to their terms and provisions of the Indenture.

State Street Bank and Trust Company,
as Trustee

June 6, 1997.

NOTICE OF EARLY REDEMPTION
To the Holders of
TURKIYE CUMHURIYETI
(THE REPUBLIC OF TURKEY)
(the "Republic")
US$200,000,000
10¼ per cent. Bonds due 1999
(the "Bonds")

NOTICE IS HEREBY GIVEN that pursuant to Condition 6(b) of the Terms and Conditions of the Bonds, holders may elect to have their Bonds redeemed by the Republic on September 15, 1997 (the "Optional Redemption Date") at their principal amount outstanding together with accrued interest to the Optional Redemption Date.

To exercise this option holders must deposit such Bonds together with all interest coupons appertaining thereto on or prior to August 15, 1997, at the specified office of any Paying Agent, or the Registrar or any Transfer Agent in the case of Registered Bonds, together with a duly completed redemption notice in the form obtainable from any of the Agents specified below.

Fiscal Agent
Morgan Guaranty Trust Company of New York
60 Victoria Embankment
London EC4Y 0JP

Paying & Transfer Agent
Banque Paribas Luxembourg
10A Boulevard Royal
L-2093 Luxembourg

Registrar
First Trust of New York N.A.
100 Wall Street
New York, NY 10005

Paying Agents
Morgan Guaranty Trust Company of New York
Avenue des Arts 35
B-1040 Brussels

Swiss Bank Corporation
6 Paradeplatz
8010 Zurich

TURKIYE CUMHURIYETI
By: Morgan Guaranty Trust Company of New York
as Fiscal Agent

Dated: June 6, 1997

Carlton Communications Plc ("Carlton") published its results for the six months ended 31st March 1997 on 5 June 1997. Copies of the half-yearly report are available to holders of Carlton's Exchangeable Capital Securities from Carlton's registered office at 25 Knightsbridge, London SW1X 7RZ

Notice

IMI Bank (International)

IMI Bank (International) hereby gives notice to holders (the "Holders") of the notes and bonds specified below and the relative coupons (together, the "Securities") that on 30th May, 1997 it:

1. redomiciled from the Cayman Islands to Madeira, Portugal;
2. changed its registered office to Rua do Aljube, nº 17-2º andar, 9000 Funchal, Madeira, Portugal and its telex number to 72422 IMIBK; and
3. changed its registered name to IMIBank (International) S.A. (but will continue to trade under the name of IMI Bank (International)).

The Law Debenture Trust Corporation p.l.c. ("Law Debenture") and Bankers Trustee Company Limited ("Bankers Trustee" and, together with Law Debenture, the "Trustees"), being the respective trustees of the Securities, are of the opinion that the modifications to the respective Trust Deeds specified below constituting the Securities (the "Trust Deeds") to provide therein for (inter alia) such redomiciliation and change of registered name are proper and, where applicable, will not be materially prejudicial to the interests of the Holders and have accordingly concurred in the implementation of such modifications in accordance with the respective Trust Deeds, such implementation being effected by Supplemental Trust Deeds each dated 30th May, 1997 (the "Supplemental Trust Deeds") made between IMIBank (International) S.A., Istituto Mobiliare Italiano S.p.A. and the respective Trustees.

The Securities listed prior to 30th May, 1997 on the London, Luxembourg and Paris Stock Exchanges (as the case may be) will remain listed thereon but, with effect on and from 30th May, 1997, as securities in the name of IMIBank (International) S.A. rather than of IMI Bank (International). The Securities now in issue will remain valid and accordingly will not be called in for replacement or endorsement.

Securities	Trust Deed	Paying Agents
A. Law Debenture		
Notes issued under the Euro Medium Term Note Programme of U.S. $500,000,000	Trust Deed dated 31st March, 1989 as supplemented on 13th March, 1991	Bankers Trust Company 1 Appold Street Broadgate London EC2A 2HE England and Bankers Trust Luxembourg S.A. 14 Boulevard F.D. Roosevelt L-2450 Luxembourg
Notes issued under the Euro Medium Term Note Programme of U.S. $2,500,000,000 (formerly U.S. $1,500,000,000)	Trust Deed dated 25th November, 1992 as supplemented on 19th August, 1993	
Notes issued and to be issued under the Euro Medium Term Note Programme of U.S. $7,500,000,000 (formerly U.S. $5,000,000,000)	Trust Deed dated 25th November, 1992 as amended and restated on 7th November, 1995 and as supplemented on 15th November, 1996	Bankers Trust Company and Bankers Trust Luxembourg S.A. (at the offices stated above) and Bankers Trust (France) S.A. 12-14 Rond-Point des Champs-Elysées 75008 Paris France
U.S. $135,000,000 Guaranteed Zero Coupon Bonds due 2005	Trust Deed dated 30th November, 1990	Morgan Guaranty Trust Company of New York 60 Victoria Embankment London EC4Y 0JP England
Notes issued and to be issued pursuant to DM 400,000,000 Floating Rate Notes due 1997	Trust Deed dated 10th November, 1994	Morgan Guaranty Trust Company of New York (at the office stated above) and Banque Générale du Luxembourg S.A. 50, Boulevard J.F. Kennedy L-2591 Luxembourg and Morgan Guaranty Trust Company of New York, Brussels Office Avenue des Arts 35 B-1040 Brussels Belgium and Morgan Guaranty Trust Company of New York, Frankfurt Office Zweigniederlassung Frankfurt Börsenstrasse 204 D-60313 Frankfurt Germany
B. Bankers Trustee		
FF 1,000,000,000 9¼ per cent. Notes due 2002	Trust Deed dated 27th October, 1987 as supplemented on 15th April, 1992	Société Générale Bank & Trust S.A. 11-13 Avenue Emile Reuter L-2420 Luxembourg and Société Générale 29 Boulevard Haussmann 75009 Paris France
¥10,000,000,000 7 per cent. Dual Currency Guaranteed Bonds due 1997	Trust Deed dated 27th October, 1987 as supplemented on 9th May, 1990	Bankers Trust Company and Bankers Trust Luxembourg S.A. (at the offices stated above) and Swiss Bank Corporation WS-CP/Paying Agency Paradeplatz 6 8010 Zurich Switzerland

Each of the Trust Deeds and the Supplemental Trust Deeds is on display from the date hereof at the registered office of IMIBank (International) S.A. in Madeira set out above, the specified offices of the applicable Paying Agents set out above, and, for 30 days from the date hereof, at Linklaters & Paines, Barrington House, 59-67 Gresham Street, London EC2V 7JA, England.

6th June, 1997 Issued by IMIBank (International) S.A.

SCOTTISH AMICABLE LIFE ASSURANCE SOCIETY

Notice is hereby given that on 26th May 1997 a Petition was presented to the Court of Session in Scotland by Scottish Amicable Life Assurance Society incorporated under the Scottish Amicable Life Assurance Society's Act 1976 and having its principal office at Craigforth, Stirling FK9 4UE ("the Society") applying for, inter alia, an Order of the Court under Section 49 of, and Part I of Schedule 2C to, the Insurance Companies Act 1982 ("the Act"), sanctioning a scheme ("the Scheme") under which the long term business (as defined in the Act) carried on by the Society is to be transferred to The Prudential Assurance Company Limited, a company incorporated in England and having its registered office at 142 Holborn Bars, London EC1N 2NH.

Copies of the Petition, the Report of the Independent Actuary on the Scheme and the Circular to members and policyholders of the Society dated 28th May 1997 ("the Circular") are open for inspection at the addresses and times set out in the Schedule to this notice until the date on which the Court sanctions the Scheme. Copies of the Circular may be obtained by calling the Scottish Amicable Information Helpline on 0345 888 555 (or +44 990 886 560 if calling from outside the UK) on any weekday (Monday to Friday) between the hours of 9.00 am and 6.00 pm.

SCHEDULE

(a) At the following offices of the Society between 9.00 am and 5.00 pm on any weekday (Monday to Friday) public holidays excepted:-

Craigforth, Stirling FK9 4UE
Westminster House, 11 Portland Street, Manchester M1 3HG
Kestrel House, Hedgerows Business Park, Colchester Road, Chelmsford CM2 5PF

(b) At the following offices of The Prudential Assurance Company Limited between 9.00 am and 5.00 pm on any weekday (Monday to Friday) public holidays excepted:-

142 Holborn Bars, London EC1N 2NH
250 Euston Road, London NW1 2PQ
121 Kings Road, Reading RG1 3ES

(c) At the following further addresses during usual business hours on any weekday (Monday to Friday) public holidays excepted:-

Ernst & Young, Wirtschaftprufungs-und, Steuerberatungsgesellschaft mbH, Praterstrasse 23, 1021 Vienna, Austria
Ernst & Young, Block 1, Harcourt Centre, Harcourt Street, Dublin 2, Republic of Ireland
Ernst & Young, Avenue Marcel Thiry 204, 1200 Brussels, Belgium
Ernst & Young A/S, Tagensvej 86, DK-2200 Copenhagen N, Denmark
Reconta Ernst & Young, Via Domenico Romagnosi 18/A, 00196 Rome, Italy
Tilintarkastajien Oy, Ernst & Young, Kaivokatu 8, 00100 Helsinki, Finland
HSD Ernst & Young, Tour Manhattan, Cedex 21, 92095 Paris La Défense 2, France
Advokaturburo Dr. Markus Wanger, Landstrasse 36, FL-9490 Vaduz Liechtenstein
Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, Elisenstrasse 3a, 80335 Munich, Germany
Ernst & Young, Centre Etoile, 5 Boulevard de la Foire, L-1528 Luxembourg
Ernst & Young, Suite 5, International House, Bell Lane, Gibraltar
Moret Ernst & Young, Drentestraat 20, 1083 HK Amsterdam, Netherlands
Potamitis Iliadou & Associates, 3-5 Ilission Street, Athens 11528, Greece
Ernst & Young, Tullins Gate 2, PO Box 6834, St Olavs plass, N-0130 Oslo, Norway
Ernst & Young, Edificio República, Avenida da República 90/3, 1600 Lisbon, Portugal
Ernst & Young, endurskodun & rádgjöf ehf., Skeifan 11A, 108 Reykjavik, Iceland
Ernst & Young, Torre Picasso, Plaza Pablo Ruiz Picasso, 28020 Madrid, Spain
Ernst & Young, 2 Adolf Fredriks Kyrkogata, PO Box 3143, S-10362 Stockholm, Sweden

Scottish Amicable

Pakistan telecoms left hanging on

Six-year sell-off saga shows little sign of ending despite orders from ministers

Privatisation of Pakistan's telecommunications sector will take a step forward on Monday when the last vouchers in the state telecoms company must be converted into shares.

But the future profits of Pakistan Telecommunications Corporation (PTCL), will depend on next week's budget, which is expected to set new phone tariffs and give analysts a chance to assess growth prospects.

PTCL issued 100-share vouchers in domestic and foreign placements almost three years ago when the government sold 12 per cent of its shares.

The vouchers became convertible into shares last year in preparation for PTCL's privatisation.

Mr Nawaz Sharif, prime minister, has ordered the company's management to prepare it for privatisation in the next 12 months. But critics are sceptical, since the plan to sell the company is now in its sixth year.

The delay, along with a number of concerns over the company's future, have triggered a sharp fall in PTCL's share price during the past year.

The latest financial results, though short on revenue growth, provide some encouragement in the shape of profits.

The PTCL's revenues during the second half of 1996 – from July to December rose only 5 per cent compared with the first half of the year (January to June) – from Rps18.67bn to Rps19.61bn ($466.9m). But second-half operating profits half jumped 24.35 per cent, from Rps6.81bn in the first half to Rps8.47bn.

The improvement is seen by some analysts as perhaps a one-time gain, partly resulting from a write-off of bad debts worth Rps1.54bn in the first half, while there were no such write-offs in the second half.

In the run up to the budget, Mr Nasim Mirza, PTCL chairman, has urged the government to reduce a 40 per cent tax known as central excise duty and pass on the benefit to the company by increasing inland tariffs.

PTCL management says that the company gets little benefit from what may appear to be exorbitant rates, because a large chunk goes to the government.

"Since 88 per cent of the company is still owned by the government," Mr Mirza says, "they will stand to benefit from lower tariffs because higher usage will lead to revenue growth."

Other PTCL executives worry over recent attempts by the government to detect income tax evasion by requiring all telephone subscribers to file tax returns.

"This step will carry no benefit because currently there are 1m income tax payers in Pakistan and there are 2.5m subscribers," says one senior executive. "The tax system will be choked with a 150 per cent increase in tax returns" and PTCL would be damaged by a disincentive to increased subscription and usage.

Many subscribers are also bitter over what they consider to be irrational tariffs – such as a five-minute day-time call from Islamabad to Karachi, the business capital, costing roughly the same as a three-minute call to London.

Some analysts say that concerns over future revenue growth have discouraged investors.

Part of the problem has been caused by uncertainty over the share of phone lines that will go to NTC (National Telecommunications Corporation), a smaller company carved out of the PTCL last year, which will exclusively serve government offices and Pakistan's defence forces.

NTC was formed in response to fears that PTCL's privatisation would jeopardise national security interests by giving unwanted access to confidential communication.

There are other concerns, among which are the effect of reduced international accounting rates which are certain to push down the company's international call revenues.

Mr Asghar Merchant, telecom analyst at Karachi's Khadim Ali Shah Bukhari brokerage, says the recently formed telecommunications regulatory organisation, the Pakistan Telecom Authority, needs to be strengthened before such issues can be firmly resolved.

"Unless there is a very distinct regulatory body in place, you can't privatise PTCL. They have now established one but it will take time to settle in."

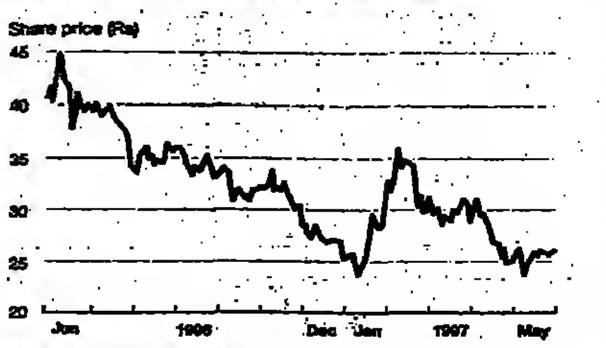
Many analysts also say that the company needs to cut almost a quarter of its work-force of 55,000.

Though the prime minister is known to have considered large scale retrenchments in the public sector, its not clear if the government will approve the step, which is bound to lead to widespread union protests.

Senior officials concede that the anxieties surrounding the company, and the uncertainty caused by its delayed privatisation, may lead to a softening in the sale terms offered earlier, though a final decision is yet to be made.

Farhan Bokhari

Delay and doubt take their toll



Source: Khadim Ali Shah Bukhari Co. Ltd

Murdoch son to chair News Ltd

By Nikki Tait in Sydney

Mr Lachlan Murdoch, the eldest of Mr Rupert Murdoch's three children who has been mentioned as a potential successor to the News Corporation chairman, yesterday secured his place at the top of the media and entertainment group's Australian operations.

News Corp announced that the younger Mr Murdoch would become chairman of News Limited, the group's main Australian arm, on July 1.

Mr Murdoch is already managing director at News Ltd, a post he took up last September.

Mr Murdoch joined the News Ltd board in 1995, and before that was general manager of the company's Queensland Newspapers business. He will replace Mr Ken Cowley, a long-serving Murdoch lieutenant, as chairman of News Ltd.

Mr Cowley announced his decision to retire in April this year, having played a visible role in grooming Mr Murdoch to take over.

Mr Cowley, who has been with News for 33 years, will remain on the News Corporation board and also continue as chairman of Ansett, the Australian airline in which News has a 50 per cent stake.

Mr Rupert Murdoch's children are actively involved in the business.

Lachlan's sister, Elisabeth, has an executive role with BSkyB, the UK-based satellite TV group, while his younger brother, James, is involved on the music side of News Corp.

Lachlan Murdoch is seen as a potential successor to his father Rupert at News Corp

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First Bangkok City Bank
Public Company Limited
U.S.$100,000,000
Floating Rate Certificates
of Deposit due 1999

Interest Period:	6th June, 1997 to 8th December, 1997 (185 days)
Interest Rate:	6.425% p.a.
Interest Amount:	U.S.$16,508.68 (per Certificate of U.S.$500,000)
Payment Date:	8th December, 1997

Agent Bank
SAKURA FINANCE ASIA LIMITED

Notice

IMI Bank (International)

IMI Bank (International) hereby gives notice to holders of its outstanding notes, bonds, coupons, eurocommercial paper and certificates of deposit (together, the "Securities") and to other counterparties that on 30th May, 1997 it:

1. redomiciled from the Cayman Islands to Madeira, Portugal;
2. changed its registered office to Rua do Aljube, nº 17-2º andar, 9000 Funchal, Madeira, Portugal and its telex number to 72422 IMIBK; and
3. changed its registered name to IMIBank (International) S.A. (but will continue to trade under the name of IMI Bank (International)).

Any Securities listed prior to 30th May, 1997 will remain listed but, with effect on and from 30th May, 1997, as securities in the name of IMIBank (International) S.A. rather than of IMI Bank (International). The Securities now in issue will remain valid and accordingly will not be called in for replacement or endorsement.

A separate notice of even date herewith has been issued to the holders of the notes and bonds of IMI Bank (International) guaranteed by Istituto Mobiliare Italiano S.p.A. in respect of which The Law Debenture Trust Corporation p.l.c. and Bankers Trustee Company Limited respectively are trustees.

6th June, 1997 Issued by IMIBank (International) S.A.

ABN·AMRO Holding N.V.
established in Amsterdam

Final Dividend
With reference to its advertisement of May 9, 1997, ABN AMRO Holding N.V. announces that the ordinary shares of NLG 1,25 nominal value which were reserved for, but have not been claimed by, the holders of stock dividend coupons no. 24 have been sold and that a proportionate share of the proceeds, i.e. NLG 2,38 per dividend coupon no. 24 from an ordinary share of NLG 5 nominal value, will be kept available to these holders.

ABN AMRO Holding N.V.

Amsterdam, June 6, 1997.

NOTICE OF EARLY REDEMPTION

International Bank for Reconstruction and Development
(the "Bank")

Italian Lire 300,000,000,000
8.50 per cent. Callable Notes due 1999 (No. 12)
(the "Notes")

NOTICE IS HEREBY GIVEN that all of the outstanding Notes will be redeemed by the Bank on June 28, 1997 (the "Optional Redemption Date"), pursuant to Condition 6(e) of the Terms and Conditions of the Notes and Condition 12 of the Pricing Supplement. The Notes will be redeemed at their principal amount outstanding together with accrued interest to the Optional Redemption Date. Interest shall cease to accrue on and from the Optional Redemption Date.

Payment of principal and interest will be made against presentation and surrender of, respectively, the Notes and Interest coupons appertaining to the Notes at the specified office of Morgan Guaranty Trust Company of New York, London Office or Banque Paribas Luxembourg.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
By: Morgan Guaranty Trust Company of New York
as Global Agent

Dated: June 6, 1997

[illegible] الأصيل

Barito Pacific plans Rp400bn bond issue

By Manuela Saragosa in Jakarta

Barito Pacific, Indonesia's largest plywood producer, said yesterday it planned to sell Rp400bn ($164m) worth of five-year bonds at a fixed interest rate to restructure its debt.

The announcement marks the begining of what is expected to be a busy three months in the Indonesian bond market. Twenty-five Indonesian companies are poised to launch bonds over the next three months, which could nearly double the size of the rupiah bond market.

Barito Pacific said it had not yet determined the bond's pricing. Makindo, a local brokerage house, will act as underwriter, while Bank Niaga, which is publicly listed, has been appointed custodian bank.

The money raised will be used to repay debts Barito owes to state-owned Bank Bumi Daya and Bank Dagang Negara.

Bank Indonesia, the central bank, estimated that in September last year exchange-listed outstanding bonds amounted to Rp7,000bn. Approximately Rp8,000bn in new bond issues are in the pipeline between June and August.

Perusuhan Listrik Negara, the state-owned utility company, is set to launch Rp1,000bn of 10-year bonds in July; Riau Andalan, a pulp and paper company, is issuing between Rp500bn and Rp1,000bn in five-year bonds in August; and Jakarta International Hotel Development, the property company, is planning an issue this month of five-year bonds worth Rp600bn.

Most of the planned issues will carry a five-year maturity and a fixed interest rate.

Expectations that interest rates are set to ease further before the end of year have contributed to the growth in the bond market. In addition, an increasing number of mutual funds on the domestic market has spurred demand.

Indonsaia now has 39 open-ended funds, most of which were launched in tha middle of last year. About one-third of these invest solaly in fixed-income instruments, despite the fact that the secondary market for bonds is relatively illiquid and all bonds issued are bearer bonds.

Apart from PLN's regular issues, bond offerings have generally been the domain of banks and property companies, but analysts noted that Barito Pacific is among a handful of industrial companies which have started to tap the rupiah bond market in recent months.

Many see this as a consequence of the central bank's clampdown on credit growth in the banking sector. Bank Indonesia has reimposed asset growth caps at individual banks, with an annual target of 18 per cent for the industry as a whole for 1997.

Command performance by Bank of China chief

Wang Xuebing's tight control over regional managers has led to a dramatic fall in non-performing assets

Wang Xuebing, president of the Bank of China, is not afraid of confrontation: "It is not important that the managers always see eye-to-eye with me. What is important is that they obey me."

Such a peremptory management style may frustrate the ambitions of bank managers who once ran their branches as fiefdoms, but Mr Wang's methods are delivering results.

The Bank of China has seen a dramatic fall in non-performing assets in the last few years, since the head office in Beijing has clipped the wings of the regional managers.

Like the other big state banks in China, the BOC is burdened by a legacy of bad debts to loss-making state-owned enterprises. They have often been issued by branch officers under pressure from local officials to make dubious loans on social or political grounds.

But since the arrival of the BOC's stridently centralising president in late 1993, the loan book looks markedly better. Non-performing loans issued since 1994 account for only 3 per cent of the bank's total non-performing assets.

Mr Wang, formerly the head of the BOC's New York office, is an active manager: conducting an interview over an elaborate Chinese banquet, the shark's fin soup and the abalone remain untouched, as the conversation skips from the BOC's plans to restructure its Hong Kong business, to his expectations of the development of banking in China and his hopes of a not-too-distant world of digitalised, card-based financial services.

He returns frequently to his favoured theme of "improving internal controls and internal management."

A few years ago, BOC branches were more autonomous, and some regional offices racked up losses in reckless foreign exchange deals that tore a hole in the bank's overall performance.

Since then Mr Wang's team in Beijing has imposed more rigorous controls.

Wang Xnebing: 'It is not important that the managers see eye-to-eye with me. What is important is that they obey me'

> A few years ago, BOC branches were more autonomous, and regional offices racked up losses in reckless foreign exchange deals that tore a hole in the bank's performance. Since then, Mr Wang has imposed more rigorous controls

Last year, the BOC generated pre-tax profits of $2.3bn, up 23 per cent on 1995.

The domestic business has started to make a positive contribution to the bottom line, but the bulk of profits – $1.8bn – continue to come from overseas business. Of that, $1.6bn comes from BOC operations in Hong Kong and Macau.

Mr Wang is relaxed about the return of the territory to Chinese control: "As far as Hong Kong as a financial market is concerned, I do not see much of a change."

Nevertheless, Mr Wang plans to restructure BOC's operations in Hong Kong after the territory returns to Chinese sovereignty on July 1.

"We want to see more of a focus on the wholesale business, the merchant banking business, the underwriting business ... to see the Bank of China focus on profitability," he says.

Investment banking, too, is a long-term project for the BOC. Mr Wang was a driving force behind the Bank of China International, an investment bank incorporated in London which will foster a staff of specialist bankers and capital markets experts for the future.

In mainland China, investment banking remains some years off for the BOC, which still needs to clean up its balance sheet and then develop its wholesale and retail businesses.

"We do not want to move on in terms of quantity, we want to improve the quality," Mr Wang says.

He notes calmly that interest income may have slipped slightly last year, but there was a 5 per cent increase in revenue from fees.

Mr Wang argues that the bank may need to forgo business, even if the overall volume or market share declines, in order to improve the quality of assets.

To that end, the BOC under Mr Wang has centralised control of liquidity – significant lending decisions have to be approved in Beijing – and has barred BOC branches from foreign exchange dealing.

He wants to encourage BOC branches to build the level of deposits.

Ths retail banking business remains, at best, at break-even in China, as the government-controlled lending and deposit rates are almost the same, giving little or no margin for profit.

However, Mr Wang believes the People's Bank of China, the central bank, will have to change the levels at which rates are set, to make retail banking a viable business. In the meantime, retail deposits lift the bank's capital adequacy ratio, offering opportunities for commercial lending.

James Harding, Peter Montagnon and Tony Walker

HK$1.9bn issue to finance bank stake

By Louise Lucas in Hong Kong

China Evarbright-IHD Pacific, a mainland-backed Hong Kong conglomerate, has raised HK$1.9bn (US$245m) through a share placement to finance its proposed purchase of a 20 per cent stake in a mainland bank.

The company said it had sought, but not yet received, approval from the Chinese authorities for the planned purchase of Everbright Bank of China. If the deal gets the go-ahead, it would give foreign investors a rare opportunity for exposure to China's banking sector.

Everbright Bank of China almost doubled net profits in 1996, when it reported earnings of about Yn890m ($107.3m). This was according to Chinese accounting principles, which differ substantially from those used internationally.

The bank is 51 per cent owned by China Everbright Group in Beijing, an associata of China Everbright Holdings, the Hong Kong conglomerate's controlling shareholder – which is itself directly under the control of Beijing'a state council.

Asia Development Bank owns 3.29 per cent of the bank's issued share capital.

China Everbright-IHD Pacific said it also planned to use proceeds from the fund raising to purchase about 20 per cent of Theme International Holdings, a clothing retailer. Like the bank deal, this remains subject to approval.

ASIA-PACIFIC NEWS DIGEST

Former Nomura chiefs to resign

Nomura Securities, Japan's largest stockbroker, said yesterday that a former president and a former chairman, who now serve Nomura as advisers, would resign in connection with the scandal in which Nomura made illegal payments to a corporate racketeer. Nomura said that Mr Setsuya Tabuchi and Mr Yoshihisa Tabuchi expressed their intent to resign late last week to Mr Junichi Ujiie, the president, "because they want the new management system to be able to operate wholeheartedly". Mr Tabuchi was Nomura's president from 1965 to 1991. He served as a director-counsellor and senior adviser to the broker since that time, becoming an adviser in May this year. Mr Tabuchi was chairman of the broker from 1985 to 1991. He has since served as a senior adviser and a director-counsellor, becoming an adviser in April this year. *AP-DJ, Tokyo*

Indian silk weavers improve

India's leading silk fabrics manufacturers have reported better results for the year to March 31, helped by strong export demand at higher prices. Himatsingka Seide, which derives all its revenues from silk production in foreign currencies, reported net sales up 22 per cent from Rs481.7m to Rs587.5m ($16.42m). Other income rose from Rs26.6m to Rs32.1m. Expenditure increased from Rs216.7m to Rs304.8m, mainly because of the sharp rise in the price of silk yarn.

Pre-tax profits improved 6.4 per cent to Rs259.2m. However, net profits fell 3.2 per cent to Rs225.5m, after providing Rs33.7m for tax, against Rs10.8m in 1995-96. Earnings per share declined from Rs24.37 to Rs23.61. Analysts are forecasting a rise in sales and profits in the current year as the company will soon commission a new weaving unit and a yarn factory.

Eastern Silk Industries, one of India's largest exporters of silk goods, saw a 19.4 per cent increase in revenues from Rs725m to Rs865.49m. Expenditure was up from Rs653.57 to Rs779.12m. Pre-tax profits improved from Rs68.7m to Rs83.5m, while net profits rose 8.82 per cent from Rs68m to Rs74m. Earnings per share advanced from Rs9.51 to Rs10.34. The company is investing nearly Rs1bn in building a silk fabric weaving and processing unit at Gurgaon. *Kunal Bose, Calcutta*

One-offs help James Hardie

James Hardie, the Australian building materials group, yesterday announced a sharply improved profit of A$83m (US$62.9m) after tax for the year to end-March, up from A$32.2m a year ago. But the improvement was largely owing to a A$31.7m abnormal surplus, compared with a charge of A$26.3m last time. Operating profits were 12.3 per cent lower, at A$51.3m. The company said earnings had fallen at the Australian building products business as home construction declined, but had grown strongly at the fibre cement and gypsum units in the US. Sales were 7.2 per cent lower, at A$1.63bn.

Meanwhile Email, the appliance manufacturer, achieved flat after-tax profits, also for the year to end-March, at A$55.3m, on sales up from A$2.1bn to A$2.2bn. Operating profit before tax and goodwill amortisation was up 31.8 per cent at A$94m. *Nikki Tait, Sydney*

Sundaram lifts earnings 5.8%

Sundaram Finance, one of India's largest non-banking finance companies, lifted net profits 5.8 per cent to Rs687m ($19.2m) for the year to March 31. Revenues rose 26.13 per cent from Rs3.33bn a year earlier to Rs4.2bn. Earnings per share increased 5.8 per cent from Rs27.05 to Rs28.62. The company is raising the annual dividend from Rs3.5 to Rs4.5 a share. The results were in line with market expectations. The capital adequacy ratio of 16.86 per cent is more than double the minimum prescribed for NBFCs by the central bank. Non-performing assets were less than 2 per cent. *Kunal Bose*

Apple slims in Singapore

The Singapore arm of Apple Computer, the US computer maker, said yesterday it would shut down its printed circuit board operations and make redundant 250 of its 800 staff at its Ang Mo Kio factory in Singapore, as part of the company's two-year global plan to streamline its business. *AP-DJ, Singapore*

Tsann Kuen to raise HK$100m

By James Harding in Xiamen

Tsann Knen Enterprises, one of the world's largest manufacturers of toasters and electric sandwich-makers, is planning to raise HK$100m (US$12.9m) on the Chinese stock markets to fund a plan to quadruple sales in four years.

The company, which has moved the bulk of its operations from Taiwan to lower-cost production sites in mainland China, was the first Taiwanese business to issue foreign currency shares on the mainland Chinese stock markets.

Tsann Knen, listed on the Shenzhen stock exchange in 1993, has now applied to issue a further 40m shares to fund a big expansion of its production facilities.

Mr Zhn Chende, deputy general manager, said: "Our goal is to become one of the top manufacturers of household electronic goods in the world. The most important thing for us now is to expand production capacity. Our technical standards and designs have been recognised by the most renowned companies in the world ... we need capital."

As well as toasters and sandwich-makers, the company makes a wide range of domestic electrical appliances including irons, coffee-makers, rice-cookers and food mixers.

Some of the products are made under the company's own brand, Eupa, but most are made under contract to international companies such as Philips, Sanyo and Mister Coffee.

If the share issue is approved by the China Securities Regulatory Commission, most of the money raised will be invested in machinery for grill, iron and coffee-maker production. The company will also increase bank borrowings to fund expansion.

The group reported sales last year of Yn971.4m ($117.2m), compared with Yn782.3m in 1995, and pre-tax profits of Yn60.2m against Yn36.6m. There was an exceptional gain of Yn25m for the disposal of a subsidiary.

Since 1989 – its first year of operation – Tsann Knen has raised sales from US$5m to US$108m last year. The company hopes to achieve sales of US$114m in 1997 and has set a target for turnover in 2000 of US$400m.

Production is predominantly for export, with 92.5 per cent of sales last year to overseas markets – 33 per cent to the US, 30 per cent in Europe and 25 per cent in other Asian countries.

Exchanges win DJIA derivatives rights

By Laurie Morse in Chicago

Dow Jones, the US business information group, announced yesterday that the Chicago Board of Trade, the American Stock Exchange and the Chicago Board Options Exchange had won a widely publicised bidding war for rights to trade derivatives on the Dow Jones Industrial Average.

The DJIA is the oldest and most widely recognised benchmark of the US stock market. Licensing it is expected to yield millions of dollars for Dow Jones, which has been under pressure from shareholders to increase profits.

The exchanges will pay a fee to Dow Jones for each contract traded. The CBOT is believed to have paid an up-front fee of $10m-$12m for the rights to use the Dow Jones name. Dow Jones declined to comment on the financial aspects of the deal, as did the CBOT.

The CBOT, the world's largest futures exchange, is seen as the big winner in the "Dow Derby". It beat its rival, the Chicago Mercantile Exchange, for rights to trade futures and futures options on the DJIA, as well as on a variety of other less well-known benchmarks, including the Dow Jones Transportation index and Dow Jones Utilities Index.

"This event is as important to us as the introduction of financial futures 20 years ago," said Mr Patrick Arbor, chairman of the CBOT. "It opens the door to a whole new product line of domestic and foreign stock index listings at the CBOT."

Prices for index-trading memberships at the CBOT jumped after yesterday's announcement, doubling to $128,000.

Mr Arbor said the DJIA futures would be traded in the exchange's new bond-trading room, "as close to the US Treasury bond pit as possible".

The CBOT won rights to trade DJIA futures only during regular daytime hours. An agreemant to list the benchmark stock index on the CBOT's after-hours computers system has yet to be reached.

Although the CBOT has the exclusive rights to DJIA futures trading in the US, Dow Jones said it expected to award additional DJIA derivatives licenses at a later date. Mr David Moran, president of Dow Jones Global Indexes, said he was considering inquiries from exchanges in other time zones to list Dow futures.

The American Stock Exchange said it would list exchange-traded funds, or unit trusts, based on various Dow Jones indices, starting with the DJIA. The Chicago Board Options Exchange will list options on the DJIA, and on other, unspecified Dow Jones indices.

The Chicago Mercantile Exchange said it had expected to be squeezed out of the Dow Jones deal, noting that its Standard and Poor's 500 stock index future and futures options dominated global stock index trading. "Dow Jones was concerned about being a small fish in a big pond," said Mr Jack Sandner, CME chairman.

CBOT chief Patrick Arbor: opens door to new products

Insurers see bad times round the corner

US property/casualty cover has had a fat quarter, but leaner profits loom as price war continues

The US property/casualty insurance industry has just enjoyed its most profitable start to a year since the mid-1980s. But analysts say that has been more a result of good luck than good management, and insurers face considerable challenges if they are to avoid a renewed slump.

Overall, US insurance companies earned $10bn in after-tax profits in the first quarter, on figures from the Insurance Services Office and the National Association of Independent Insurers.

That is equivalent to a return on capital of about 15 per cent – far better than the 12.8 per cent of the year before, and one of its best results since 1986, according to Mr Sean Mooney, senior vice-president at the Insurance Information Institute, a trade body.

Overshadowing these results has been a squeeze on insurance premiums. US motorists, homeowners and companies have benefited from fierce competition in the industry, which has intensified as the decade has progressed.

Mr Bob Partridge, director of property/casualty insurance at Standard & Poor's, the rating agency, said of this year's profits: "Is it a sustainable level? Probably not. There's a high level of volatility [in the numbers]."

Underlying this year's strong start have been a number of one-off factors that are unlikely to recur, at least not all in one go.

The most significant of these was the mild winter in the north-east and in other parts of the country. Without the damage wrought by winter storms, catastrophe losses were only $900m, compared with $2.6bn a year before.

That helped insurers notch up their best quarterly underwriting performance in 18 years. The industry's combined ratio (losses and other expenses as a percentage of premiums) fell to 101.2.

After the devastation caused by hurricanes and earthquakes earlier this decade, however, few insurers are likely to draw much comfort from a single good quarter. They will also be well aware that the North Atlantic's hurricane season began officially on June 1 – and as Mr Mooney says, "the latest predictions from the weather forecasters are not good".

Also supporting the first quarter's performance were special payments of $2bn to two unnamed property/casualty insurance companies from their life insurance affiliates.

Without those payments, the industry's investment income would have been $9.4bn, up only around 2 per cent from the year before. And realised capital gains during the period, of $2.2bn, were less than half 1996's level. After such a strong run in the US equity market, few expect realised gains to continue at such high levels for much longer.

Considerations like these have served to throw the spotlight on the biggest challenge faced by US insurance companies: how to raise their revenues.

Earned premiums grew at an annualised rate of 2.6 per cent during the first quarter, lower than the 3.8 per cent of 1996 as a whole.

One of the main reasons behind this has been a price war among providers of worker compensation insurance, the second-biggest line of business for property/casualty insurers after car insurance, according to Mr Mooney. A number of states, led by California, rolled back state regulation of premiums for this type of cover in the mid-1990s, leading to a battle among insurers on price.

Car cover, on the other hand, has been increasingly profitable, even if growing only slowly. Accident rates have fallen as the Baby Boom generation has reached the years of responsible parenthood, allowing insurers to raise their profits, said Mr Mooney.

Richard Waters

Growing economy boosts Canadian banks

By Bernard Simon in Toronto

Canada's banks have wrapped up a buoyant second quarter with Canadian Imperial Bank of Commerce reporting a 9 per cent earnings advance.

Analysts noted, however, that while second-quarter earnings were well above last year, they were either flat or slightly lower compared with the previous three months.

The banks have benefited from an accelerating domestic economy, improved credit quality and increasing mutual fund and capital market fees.

These gains have been partly offset by higher expenses, especially compensation in their investment banking arms. One analyst noted the banks' rising exposure to relatively risky corporate lending.

Canadian Banks

Six months to April 30 1997, *1996 figures in italics*

	Net earnings C$m		Return on equity %		Return assets %		Assets at April 30 C$bn	
Royal Bank of Canada	[illegible]	*698*	19.1	*17.5*	0.69	*0.71*	259.8	*209.8*
Canadian Imperial Bank of Commerce	746	*689*	17.8	*17.8*	0.66	*0.72*	227.5	*191.7*
Bank of Montreal	[illegible]	*577*	17.4	*17.3*	0.68	*0.78*	200.4	*155.0*
Bank of Nova Scotia	597	*511*	16.6	*15.6*	0.70	*0.67*	176.1	*158.3*
Toronto-Dominion	[illegible]	*442*	18.8	*15.1*	0.74	*0.79*	158.2	*117.4*

Source: Companies

While analysts forecast further earnings advances over the next year or two, several cautioned that bank shares – among the biggest gainers on the Toronto Stock Exchange over the past year – may not sustain their recent surge.

Mr Michael Goldberg, analyst at HSBC James Capel Canada, said the big five Canadian banks have less potential for growth than their US counterparts, and are less strongly capitalised.

Several banks, notably Royal Bank of Canada and Toronto-Dominion, have fuelled investor interest with share buy-backs, supported by internally generated capital.

Mr Goldberg said strong loan growth had enhanced earnings potential, but "it's probably put a damper on the likelihood of more stock buy-backs".

CIBC's net earnings climbed to C$370m (US$269m), or 84 cents a share, in the three months to April 30, compared with C$339m, or 76 cents, a year earlier.

The latest figures include a C$50m after-tax gain from the sale of a prime downtown Toronto property.

Return on equity inched up to 17.7 per cent, but return on assets dipped from 0.71 per cent to 0.64 per cent. Total assets, propelled by strong residential mortgage demand, grew to C$227.5bn on April 30, from C$191.7bn a year earlier.

CIBC shares gained 15 cents to C$34 at midday in Toronto yesterday.

Mr Nigel Dally, analyst at Morgan Stanley in New York, singled out Royal as the strongest Canadian bank, based on "favourable positioning in high-growth markets such as mutual funds and trust, and expense management".

Royal's market value has surged 70 per cent in the past year. But Mr Dally said the bank's robust outlook is "already fully reflected" in its share price.

A government-appointed task force is conducting a sweeping review of financial services legislation, which could result in significant changes for the banks over the next few years.

The banks have pressed for removal of barriers in their fledgling insurance businesses, and for clearance to enter the car-leasing market.

Some – but not all – bank executives have also questioned the rule that currently limits a single shareholder to a 10 per cent stake. They contend this curb impedes the mergers and acquisitions needed for Canadian banks to remain competitive internationally.

However, supporters of the 10 per cent rule predict its elimination would lead to Canadian banks being gobbled up by their US and offshore rivals.

AMERICAS NEWS DIGEST

Eldorado buys SA gold mine

Eldorado has become the first Canadian mining group to move into the South African gold industry with the acquisition of gold mines in Ghana and South Africa from Gencor, South Africa's second largest mining group. The $194m deal will boost the profile of Eldorado, which is listed in Toronto and Vancouver, as an international vehicle for Gencor's gold interests.

The move follows reports this week that Gencor is considering separating its precious metals business from its base metals operations, which could be listed in London. The acquisition will be settled in cash and convertible non-voting shares, and Gencor's voting stake in Eldorado will not increase beyond its current level of 40 per cent. The deal is in line with Gencor's strategy of disposing of minor gold interests to concentrate on developing world-class gold assets.

Eldorado has agreed to acquire 90 per cent in Gencor's Bogosu mine in Ghana, and a 45 per cent joint venture interest with Avgold in Fairview/ETC, a project to merge two ailing mines to create the country's largest greenstone gold mining operation. The merged mine, which is situated in Barberton outside Johannesburg, is expected to produce 150,000 oz a year. It will also acquire Gencor's exploration interest in eight Ghanaian gold projects with combined attributable gold resources of 1.3m oz. These include a 41 per cent interest in the Yamfo Centenary Deposit, which feasibility studies have estimated to hold 1.1m oz.

Mr Richard Barclay, Eldorado chairman, yesterday signed a memorandum of understanding with Gencor, which he said would create "a significant international gold producer ... from the consolidation of the assets in South Africa and Ghana with Eldorado's existing assets".

Subject to approval by the South African Reserve Bank, the government of Ghana and other authorities, the acquisition will boost Eldorado's 1997 production by 18 per cent this year, and by 50 per cent to 375,000 oz in 1998. Its resource base will increase by 81 per cent to 9.4m oz.

Eldorado will pay a first instalment of $140m, with up to $53.3m payable as deferred compensation. The payment will include $76.3m in cash, $109m in convertible, non-voting shares and $7.4m in royalties.

Mark Ashurst, Johannesburg

Campbell recruits from Kraft

Campbell Soup, the US foods group, has named Ms Margo Lowry vice-president new product development, US Grocery division. Ms Lowry joins Campbell following a 20-year career at Kraft Foods, a subsidiary of Philip Morris, where she most recently was director of new business development for the Post Cereal division. Campbell's US grocery division has sales of more than $3.3bn. Its key brands include Campbell's Soups, V8 juices, Prego pasta sauces, and Pace Mexican sauces.

AP-Dow Jones, New Jersey

Pharmacia & Upjohn drugs swap

Pharmacia & Upjohn, the pharmaceuticals group, has acquired the brands Nasalcrom and PediaCare from Johnson & Johnson's unit McNeil Consumer Products, and the brand Micatin from Johnson & Johnson Consumer Products. In return Pharmacia & Upjohn is transferring its brand Motrin IB to McNeil and Mycitracin to Johnson & Johnson.

Mr Michael Valentino, president of Pharmacia & Upjohn Consumer Healthcare, said: "It makes sense for both parties, with each benefiting from strong brand heritage to strengthen targeted categories."

AFX, Stockholm

Multifoods to sell bakery unit

International Multifoods is realigning its North America Foods operations and intends to sell its Canada Frozen bakery unit. The moves are related to a strategic review of operations undertaken by Multifoods' new management to improve financial performance and add value for shareholders. International Multifoods said it expects these actions to have minimal impact on full-year fiscal 1998 results. Proceeds from the sale will be applied to reduce debt.

Reuter, Minneapolis

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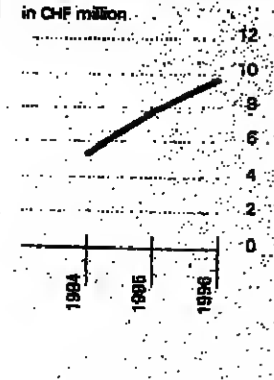

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Railtrack regulation threat

By Charles Batchelor and George Parker

Mr John Prescott, deputy prime minister, *yesterday* accused Railtrack, the owner of railway track, signalling and stations, of obtaining taxpayers money "under false pretences" and renewed his threat to subject the company to tougher regulation.

He was speaking on the day Railtrack reported pretax profits up by 27 per cent to £346m ($564m) in the year ended March 31, on turnover which rose 6 per cent to £2.44bn.

Railtrack yesterday launched a strong defence of its performance in its first year as a listed company, saying its profits were in line *with its* flotation forecasts and that its efficiency improvements should he a cause for celebration and not blame.

The bulk of the £2.12bn which Railtrack earns in passenger revenues comes in the form of subsidy paid to the train operators. They pass it on to Railtrack as track access charges. At one stage last year, Railtrack acknowledged a backlog of £330m in its spending programme.

The deputy prime minister warned Sir Bob Horton, Railtrack chairman, two weeks ago that he intended to tightan the regulatory regime to ensure the company honoured its investment commitments.

Mr Prescott rejected reports he intended to call Sir Boh in for a carpetting over Railtrack's profits.

Analysts said Railtrack's figures were slightly ahead of expectations but this level of profits represented a fair level of return for a company with assets of £2.6bn.

The success of the perfor*mance regime* in encouraging a 38 per cent fall in delays due to infrastructure breakdowns was "not a matter for complaint but for congratulation and celebration," said Sir Robert Horton, chairman.

Railtrack had increased its expenditure on asset renewals by 29 per cent to £961m. It was £100m ahead of the target set by the rail regulator for spending on capital investment and maintenance though it was £270m behind its own targets for spending to make good the backlog of investment which hullt up under British Rail, said Mr John Edmonds, chief executive. Its £1bn station refurhishment programme was also slightly behind schedule but was picking up speed, he added.

Revenues from passenger train operations – operators *pay a fee for the use of track* - grew from £2bn to £2.12bn, including a £55m rise due to higher bonus payments.

Operating costs were almost unchanged at £2.1bn (£2bn) though taking inflation into account this amounted to "real progress," said Mr Norman Broadhurst, finance director. It was too early for efficiencies to show through in Railtrack's investment programme though competitive tendering was expected to reduce costs in the longer term, he added.

Operating profits grew 15 per cent to £339m. Profits from property disposals rose from £11m to £38m, whila the net interest charge fell from £35m to £31m.

RESULTS

		Turnover (£m)		Pre-tax profit (£m)		EPS (p)		Dividends				
								Current payment (p)	Dts of payment	Corresponding dividend	Total for year	Total last year
Advent VCT	Yr to Mar 31	-	(-)	1.51	(-)	3.2	(-)	1.8	July 11	-	3.2	-
Airsprung Furn	Yr to Mar 31	88.6	(86.3)	6.86♠	(5.4)	17.4	(13.9)	1	July 25	3.7	6.4#	5.4
Avesco	Yr to Mar 31	20.8	(17.3)	3.15♥	(1.79)	29.5†	(18.8)	3	Oct 6	2.5	5	4
Benchmark	Yr to June 30	-	(-)	-	(-)	-	(-)	3⧖	-	-	3	-
Boots	Yr to Mar 31	4,578	(4,125)	571.1♥	(507.7♥)	42.9‡	(35.8)	14.3	Aug 22	12.8	64.7*	18.5
Bradstock	6 mths to Mar 31	19	(18)	3.67	(3.37)	3.69	(3.02)	2.3	Sept 23	1.8	-	5.7
Channel Isl Comms	Yr to Mar 31	10.6	(9.52)	1.48	(1.37)	9.12	(8.46)	2.3♦	Oct 1	2♦	3.8♦	3.25♦
Denby	6 mths to Mar 31	19.3	(16.8)	3.5	(3)	7	(6.2)	1.55	July 15	1.35	-	4.05
Dunloe House $	Yr to Dec 31	3.97	(0.509)	0.207	(0.037L)	0.14	(0.18L)	-	-	-	-	-
Hambro Ins Services	Yr to Mar 31	111.1	(95.1)	10.9	(11.1)	9.4	(10)	3.7	Aug 15	3.7	5.55	5.55
Hill & Smith	6 mths to Mar 31	40.3	(41.7)	1.77	(1.73)	3.22	(3.09)	2.1	-	2.1	-	9.3
Nursing Home Props	6 mths to Mar 31	4.72	(1.12)	1.57	(0.268)	3.22†	(1.23)	3	-	1.2	-	3.7
Pilkington	Yr to Mar 31	2,919	(2,899)	77♠	(55♠)	0.2†	(2.9L)	3.25	Aug 15	3.25	5	5
Powell Duffryn	Yr to Mar 31	853.8	(906.8)	29.8♠	(4.9♠)	15.3	(7.6L)	17	Aug 8	17	25	25
Prospect Inds	6 mths to Mar 31	33.8	(30.3)	3.52L	(3.33L)	0.78L‡	(1.03L)	nil	-	nil	-	nil
Railtrack	Yr to Mar 31☆	2,437	(2,300)	346	(272)	66.5	(538)	14.8	Sept 26	-	22.1	-
3i	Yr to Mar 31	-	(-)	105.6	(88.9)	16	(10.7)	5.7	July 25	5	9.2	8.1
Victoria Carpet	Yr to Mar 31	36.8	(38.3)	2.29♥	(0.203♠)	31.02	(1.73)	2.5§	July 1	2	2.5	2

Investment Trusts		NAV (p)		Attributable Earnings (£m)		EPS (p)		Current payment (p)	Date of payment	Corresponding dividend	Total for year	Total last year
Edinburgh Income	Yr to Apr 30	45.6	(46.1)	0.473	(0.558)	3.15	(3.72)	1	July 31	1	4	4
Ed'burgh New Tiger	6 mths to Apr 30★	28.43	(35.2)	0.801L	(0.831L)	0.29L	(0.3L)	nil	-	nil	nil	nil
For&Col Spec Utils	6 mths to Mar 31	97.01	(86.09)	0.921	(0.701)	1.84	(1.4)	1.57	July 15	1.4	-	4.7
G Flight Ex Inc	6 mths to Apr 30	119.07	(106.64)	0.769	(0.805)	3.85	(4.03)	1.75‡	July 1	1.75	-	7.68

Earnings shown basic. Dividends shown net. Figures in brackets are for corresponding period. ♠After exceptional charge. ♥After exceptional credit. †On increased capital. ΦAim stock. $Irish currency. #Includes second interim of 3.45p, payable June 10. ⧖Maiden interim instead of a final. ♦Gross. ☆Comparatives pro forma, restated to reflect changes in capital structure prior to flotation. §§Payable as interim. ★Comparatives restated. ‡Second interim, making 3.5p so far. *Includes special of 44.2p.

Boots to pay £400m windfall to shareholders

By Peggy Hollinger

Boots, the high street chemist, yesterday clinched a pre-budget coup with the announcement of a £400.5m ($653m) windfall pay-out to shareholders next week, backed by a 9 per cent jump in annual profits.

The payout, the third in three years after two share repurchases, brings the total amount of cash returned to shareholders through huybacks, dividends and special payments to £1.7bn since 1994.

Lord Blyth, deputy chairman, implied Boots had every intention of continuing the practise of returning funds to shareholders. After this pay-out, Boots' net debt would represent just 10.5 per cent of shareholders' funds, he said. "I see no barrier to our being able to continue making appropriate acquisitions and continuing to return casb to shareholders," he added.

The special dividend announced yastarday equates to 44.2p a share and is in addition to the 10.8 per cent increase in the annual dividend to 20.5p.

It comes with a £100m *total tax credit – equivalent* to a further 11p a share payout to qualifying shareholders – which has already been approved by the government.

Lord Blyth denied there had been any rush to pay the special dividand in advance of the summer budget on July 2, which some expect could restrict tax credits on dividend payments. "We bave consistently returned cash to shareholders if we have not had a better use for it," he said.

However, the speed with which Boots was making the payout was welcomed in the market. The shares closed 2.5p down at 692p, a lower than expected fall given the substantial dividand payment which is normally reflected in the price.

The chief executive said Boots had turned in "excellent results", with pre-tax profits before exceptionals rising from £493.5m to £536.2m for the yaar to March 31. Earnings par share, excluding the £84.9m exceptional gain on disposals, rose 14 per cent to 39.5p.

Total sales were 11 per cent higher at £4.58bn. Excluding acquisitions and disposals, continuing sales rose by almost 7 per cent to £4.3bn. All divisions turned in sales increases, excluding acquisitions and new space.

Lord Blyth said Boots was "far from a mature business" with plans for expansion both abroad and at home. In particular, Boots Healthcare International, which mar*kets and sells Boots over-the*-counter drugs abroad, was "exceeding nearly all the milestones set for product launches," be said.

Although the division incurred losses of £6.6m as a result of brand investment, "were we to stop investing that business would shoot into profit very very quickly indeed," be said.

LEX COMMENT

Nationwide

As demutualisation enthu*siasts go, it would be easy* to dismiss a former butler who suggests putting a Spice Girl onto the board of the Nationwide building society and cheese and wibe parties for the customers. Too easy. Eccentric they may be, but Mr Michael Hardern and his four associates stand a real chance of election to the Nationwide's board. For many members, the simple slogan – "if you want £1,000, vote for us" – must have compelling appeal.

Nationwide deserves credit, of course, for letting the rebels put their case at the society's expense. But the real test of its democratic instincts will come if Mr Hardern and his friends win. They would still be in a minority on the board. But the management would surely have little choice but to respond – most obviously, by putting demutualisation to a full vote. Members would then have to weigh Nationwide's special rates against the seductive appeal of upfront cash.

Since the society spends just £200m a year on improved rates – 4-5 per cent of the £4bn-£5bn the business might secure on flotation – it is not difficult to guess which is likely to win. But mutual fans cannot sensibly complain. If their case is robust, after all, they should be ahle to prove it by persuading members to stick with the status quo. Those who want to preserve at least one big mutual, to compete with the banks, would not have much of a case if the supposed beneficiaries could not be persuaded to vote in favour.

Singapore Rubber sale

Singapore Ruhber Estates has agreed to sell its principal asset, the Perhentian Tinggi Estate of about 940 hectares, to Gnoland, a newly-formed company, for £25.3m ($41.2m) casb.

Singapore will hold 29.9 per cent of Guoland on completion, and of the Perhentian proceeds – after tax and disposal costs a net £19.5m – Singapore will apply up to about £8.7m in financing Guoland.

The company said that Guoland would develop Perhentian's land into residential, industrial, commercial and leisure facilities over the next 10 to 15 years.

Trevor Humphries

All aboard: Three of the candidates seeking election to the Nationwide board pictured on *board a reconstruction of the Golden Hinde, the 16th century warship, on London's South* Bank: (left to right) Andrew Martin, Michael Hardern and George Jones

Rebels put on pressure for Nationwide conversion

By Christopher Brown-Humes

Nationwide, the UK's biggest huilding society following the Halifax conversion, yesterday came under renewed pressure to convert to a bank from rebels seeking election to the board.

The prassure group - "Members for Conversion" – which has put up five board candidates, said the existing board was "out of touch with ordinary folk" and that conversion would release average windfalls of £1,000 ($1,630) per Nationwide member.

Mr Michael Hardern, the former royal hutler and self-styled carpetbagger-in-chief leading the conversion campaign, said: "The election will be a watershed for mutuality. If a majority of members vote for windfalls, mutuality will not aurvive into the next millennium."

That view is echoed hy other building society executives, who believe the election is a crucial test for the future of the UK building society movement. If Nationwide, which has £40bn of assets, was forced to convert, the 70 smaller mutuals – including Britannia and Bradford & Bingley – would no longer have a meaningful market presence, tbey believe.

The campaign comes as millions of members of Halifax, Woolwich and Norwich Union are scooping – or in line for – big free share windfalls from their flotations.

Mr Hardern said: "Everyone has seen their naighbours or colleagues get windfalls of £1,500. Most members will wonder why they are not getting one from the Nationwide."

"If the board was asking members to convert, they would get 95 to 97 per cent in favour. Some 80 per cent of borrowers and 95 per cent of savers would henefit from conversion," he said.

Apart from Mr Hardern, the dissidents standing for *the board comprise Mr* Andrew Martin, Mr George Jones, Mr Frank Lander, and Ms Julia Trewhella. They are being opposed by five existing board members.

Mr Hardern predicted a "landslide" victory, but said Nationwide would be under pressure even if he and his colleagues came close to getting seats.

Mr Brian Davis, Nationwide chief exechtive, said the dissidents would ha strongly opposed as the society was committed to mutuality. He said: "There is no auch thing as free shares. People getting them will pay for them in the long term. If mutuals no longer exist, competition in the market place will disappear."

He added: "If these people get a landslide victory, we will have to taka notice of that, hut they will still be a minority of the board." The Nationwide board has 12 members.

Nationwida also questions the suitability of the five rebels as board candidates. "They are not the sort of *people one would normally* expect to be running a £40bn husiness," said Mr Davis.

3i adds to European wave

By Katharine Campbell, Growing Business Correspondent

3i, the UK's largest venture capital provider, is adding to tha wave of institutional funds pouring money into continental Europe.

It will shortly announce the preliminary closing of its second continental European co-investment fund. It is collecting just under £200m ($326m) from institutional investors, which will be matched by its own funds, according to Mr Ewen Macpherson, chief executive. In the past 10 days alone, Schroder Ventures bas launched a $1bn pan-European fund and Charterhouse an £800m vehicle.

Mr Macpberson, who retires next month – handing over to Mr Brian Larcombe, finance director – was delivering the results for the year to March 31, during which fully diluted net asset value per sbare rose 14.1 per cent to 486p.

The group produced a 16.4 per cent return on opening shareholders' funds – a total return of £415.5m. This was ahead of the FTSE SmallCap index which grew 15.7 per cent, but behind the FTSE All Share, up 18.7 per cent.

On the continent, wbere growth has been sluggish, investments returned 10.6 per cent in local currency terms, but minus 4 per cent wben translated into sterling.

A settlement of past claims with the Inland Revenue led to a tax charge of just £14.3m, down from £18.9m, so that revenne profit aftar tax grew to £91.3m, up from £70m.

Capital profits, meanwhile, dropped to £323m (£456m).

Europe nervous as US marks time

GOVERNMENT BONDS

By Michael Lindemann in London and Jane Martinson in New York

European bond markets remained nervous yesterday about the prospects for a single currency and ended the day fractionally higher, while US Treasuries marked time ahead of today's non-farm payroll numbers.

Mr Mark Fox, at Lehman Brothers, said he was surprised investors were as short as they are on Europe, according to the bank's monthly bond survey. "All the Emu uncertainty has made investors wary about Europe as a whole, not just the high-yielders." The anxiety was likely to continue, he said. "There's an unending line of trigger dates coming up, any of which could be a sparkling success or a complete failure."

GERMAN BUNDS were buffeted by conflicting data but showed resilience following rumours that a further rise in unemployment for May would be announced today. The September bund future rose 0.07 to settle at 100.51.

FRENCH OATs rallied in early trading, helped by weaker than expected first-quarter GDP figures showing a rise of 0.2 per cent, and news that Mr Dominique Strauss-Kahn was to take over as finance and economics minister.

The June notional future drifted lower in the afternoon as the French government denied it had requested a two-year delay for Emu. It settled at 129.26, up 0.12.

UK GILTS rallied early in the day, following the CBI's distributive trades survey showing retail demand at its weakest in 18 months. The long gilt tested just over 113¾ but did not, as one analyst said, have "enough umph to go through that level".

Mr Simon Briscoe, at Nikko Securities, said gilts were wavering because of uncertainty about the government's policy mix and today's announcement about interest rates. The September long gilt future settled at 113[illegible], up 1/32.

ITALIAN BTPs and SPANISH BONOS had no data of their own to feed off and tended to trail Germany. The September BTP future settled up 0.04 at 130.52 while the June bono future rose 0.03 to settle at 115.74.

US TREASURIES were flat at mid-session in anticipation of important employment data today. The benchmark 30-year bond eased 1/32 to 96[illegible], yielding 6.880 per cent, in lacklustre trading.

Analysts blamed position-squaring in the run-up to today's release of data on the unemployment rate and non-farm payroll numbers.

"People are cautious before an indicator that has typically had an overwhelming impact when it comes out," said Mr Bruce Steinberg, chief economist at Merrill Lynch. He expected "not much of anything to happen" yesterday.

He added that today's unemployment figures could have even greater impact than usual as they will include some benchmark revisions and will be the last before the Federal Reserve Open Market Committee meets in July. The next set of unemployment data is due the day after that meeting.

There was little reaction to data released yesterday showing initial claims for state unemployment had risen more than expected, partly because of the emphasis on today's figures.

A softer dollar and hawkish comments by a member of the Federal Reserve had caused some downward pressure on prices in early trading, but activity was muted across the yield curve. The two-year note remained unchanged at 100[illegible], yielding 6.182 per cent, while the 10-year stayed at 100, yielding 6.626 per cent.

CAPITAL MARKETS NEWS DIGEST

Paris exchanges in link with CME

Exchange officials from Chicago and Paris met in London yesterday to sign an "historic technology swap" allowing traders in the US and France to use identical electronic systems to execute and settle transactions in derivatives and cash securities. SBF-Paris Bourse and Matif, the French derivatives exchange, will contribute their NSC trading system, while the Chicago Mercantile Exchange will bring its Clearing 21 real-time clearing system.

"This swap of technology is a mutual recognition of excellence," said Mr Jean-François Théodore, SBF chairman. The combination of NSC and Clearing 21 will be the first linkage agreement to cover both derivatives and shares. Mr Leo Melamed, chairman emeritus of CME, said the agreement "achieves the best possible platform for electronic trading".

NSC is the latest version of the SBF's CAC electronic trading system, launched in July 1987. Negotiations with other US exchanges are currently under way. The New York Mercantile Exchange, a partner in Clearing 21, is considering signing up for NSC. Mr Jack Sandner, CME chairman, said talks were also under way with the Chicago Board of Trade. *Samer Iskandar*

Busiest May for Liffe

Last month was the busiest May ever for the London International Financial Futures and Options Exchange. With a record 16.6m contracts were traded, volume was 33 per cent higher than in May last year. Average daily volume was almost 830,000 contracts, with an underlying value of £163bn. Since the beginning of the year, almost 84m contracts have changed hands on Liffe, 19 per cent more than in the same period of 1996.

On May 6, the long gilt futures contract set a new daily record of 236,433 contracts, beating the previous record of 234,759 lots traded on February 24 1994. Since Liffe's link with the Chicago Board of Trade became operational on May 9, a total of 26,873 futures and options on US Treasury bonds were traded in London. Liffe contracts made available to CBOT traders were also actively traded, totalling 115,479 lots. *Samer Iskandar*

DTB trading volumes jump

Trading volumes on DTB, the derivatives exchange of Deutsche Börse, jumped to a total 7,702,003 contracts last month, a 40 per cent increase from May 1996.

Options on the Dax index were the most actively traded products, with 2,483,430 contracts changing hands. The second most popular contract was the future on German government bonds, or bunds. With 1,939,651 futures traded, activity on the bund contract was up by almost 50 per cent year-on-year, roughly the same as the increase on the DAX option.

DTB's basis trading facility also recorded higher than average volumes, with a total 99,125 contracts (bunds, Bobl and Schatz combined) traded, up roughly 21 per cent from March, the previous record. *Samer Iskandar*

Tightly-priced debut from St Petersburg

INTERNATIONAL BONDS

By Edward Luce

Prolific issuance yesterday helped round off one of the busiest weeks in the euromarkets this year, with emerging market and longer-dated dollar bonds again stealing the limelight.

ST PETERSBURG helped satisfy growing demand for Russian debt with a $300m five-year debut offering priced to yield 312.5 basis points over Treasuries.

An official at Salomon Brothers, sole lead manager, confirmed that it was the tightest priced Russian issue so far, narrowly tighter than Moscow's debut last week launched at 315 basis points over Treasuries.

Like the Moscow issue, which traders described as generously priced, St Petersburg tightened quickly after launch, hitting a spread of about 300 basis points in the secondary market.

Syndicate officials said the issue was five times oversubscribed. "We could have increased the size but it would have required parliamentary approval [in Russia]," said one.

Officials arranging **ARGENTINA**'s first 10-year sterling bond made much the same point. The £200m offering, priced to yield 280 basis points over gilts – the same spread as Argentine dollar bonds over 10-year Treasuries – was relatively popular with investors.

An official at HSBC, which jointly underwrote the deal with UBS, said that 55 per cent of its allocation had gone to UK-based investors. The rest went to continental European retail buyers and a tiny amount to Argentine pension funds.

"We wanted to keep the issue to a moderate size to ensure investors were comfortable," said an official. "Latin American bonds are not the standard fare of UK investors so we played it quite conservatively." The paper was trading at a spread of 277 basis points over gilts after launch.

An undersecretary of finance at the ministry of economy said Argentina was considering undertaking a Brady swap operation similar to recent exercises by Brazil, Mexico and the Philippines. But it had not yet made a concrete decision either way.

The **EUROPEAN INVESTMENT BANK** tapped growing demand for longer-dated dollar bonds with a $300m 12-year offering. Salomon Bros, sole underwriter, said the issue was aimed at more specialist funds. Priced to yield 20 basis points over 10-year Treasuries, the issue was slow to take off, according to traders.

"We still have a bit to sell but it has been targeted very successfully at a limited investor base," said one.

BARCLAYS BANK issued its first franc-denominated perpetual bond, priced to yield 65 basis points over French OATs.

The bond will step up to 142 basis points over Pibor after 2009 if it is not called.

P&O, the UK shipping company, issued its first Rule 144a deal with a two-tranche offering of $300m of 10-year and $200m of 30-year bonds. Priced to yield 72 basis points and 100 points over Treasuries respectively, the debut was a "great success", according to an official involved.

New international bond issues

Borrower	Amount m.	Coupon %	Price	Maturity	Fees %	Spread bp	Book-runner
US DOLLARS							
GECC	400	7.00	100.132R	Jun 2008	0.325R	+22(5⅝%May07)	Goldman/SBC Warburg
NationsBank Corp‡	400	(a)	99.884R	Jul 2004	0.20R	-	Merrill Lynch Intl
European Investment Bank	300	6.875	99.315R	Jun 2009	0.35R	+20(6¼%May07)	Salomon Brothers Intl
City of St Petersburg	300	9.50#	99.536R	Jun 2002	1.00R	+312½(6⅜%-02)	Salomon Brothers Intl
Banco do Brasil(i)	200	9.375#	99.219R	Jun 2007	0.875R	+287½(6⅝%-07)	UBS Securities
Banco do Brasil(i)	200	8.375#	99.575R	Jun 2002	0.625R	+200(6⅜%-02)	UBS Securities
Unibanco	150	8.00	100.02R	Jun 2000	0.45R	+150(6⅛%-00)	SBC Warburg
Electricité de France(b)	100	6.625	99.687R	Jun 2002	0.25R	+10(6⅝%May02)	JP Morgan/SBC Warburg
Banco Boavista(s)	100	10.004	99.95R	Sep 2000	0.75R	+389(6⅛%-00)	ABN Amro Hoare Govett
Banco Citibank	70	7.80#	99.869R	Jun 2000	0.725R	+150(5⅞%-00)	Citibank International
D-MARKS							
ING Bank	1bn	6.00	99.755R	Jul 2007	0.35R	+22(6⅛%Jul07)	ING Barings
GECC(§)	500	4.50	99.55R	Dec 2001	0.225R	+2(4⅛%Nov01)	Goldman/SBC Warburg
Shinhan Bank	300	4.375	99.5755R	Jul 2000	0.1875R	+50(5⅞%May00)	DG Bank
STERLING							
Republic of Argentina	200	10.00	99.00R	Jun 2007	0.75R	+280(7¼%-07)	HSBC Markets/UBS
FRENCH FRANCS							
Barclays Bank(c)	1bn	(c1)	99.715R	undated	0.625R	+65(f)	BZW/JP Morgan
SWISS FRANCS							
Deutsche Finance	500	3.75	102.75	Jul 2007	2.75	-	CSFB/Deutsche MG
Bayerische Hypo(d)	100	3.00	101.95	Apr 2003	2.25	-	SBC Warburg
ITALIAN LIRE							
LB Rheinland-Pfalz(s)	300bn	6.50	101.434	Jul 2001	1.625	-	BCI/IMI Bank Luxembourg
GUILDERS							
Kredietbank Intl Finance	110	(e)	100.25R	Jul 2004	0.325R	+18(5¾%Jan04)	Kredietbank
NEW ZEALAND DOLLARS							
World Bank	100	7.00	100.91	Jul 2000	1.50	-	Hambros Bank

Final terms, non-callable unless stated. Yield spread (over relevant government bond) at launch supplied by lead manager. *Unlisted. ‡ Floating-rate note. #Semi-annual coupon. R: fixed re-offer price; fees shown at re-offer level. a) 3-mth Libor +10bp. b) $500m launched Tuesday was increased to $600m. c) Callable on 7/7/09 and every 5 yrs at par. c1) 6½% to 7/7/09, then 3-mth Pibor +142bp. d) Fungible with SFr150m. Plus 90 days accrued. e) 4½% to 18/7/01, then 7%. f) Over interpolated yield. §) Long 1st coupon. s) Short 1st coupon.

WORLD BOND PRICES

BENCHMARK GOVERNMENT BONDS

		Coupon	Red Date	Price	Day's change	Yield	Week ago	Month ago
Australia		8.750	11/06	95.7845	-0.200	7.38	7.57	7.87
Austria		5.750	04/07	99.3800	+0.140	5.83	5.97	5.93
Belgium		6.250	03/07	102.4900	+0.060	5.90	6.04	6.05
Canada *		7.250	06/07	105.5500	+0.180	6.49	6.57	6.86
Denmark		8.000	03/06	0.0000	-	0.00	6.43	6.59
France	BTAN	4.750	03/02	100.2042	+0.130	4.70	4.87	4.85
	OAT	5.500	04/07	98.2000	+0.180	5.74	5.87	5.93
Germany Bund		6.000	07/07	101.2900	-0.100	5.83	5.91	5.84
Ireland		8.000	08/06	108.6800	-0.060	6.70	6.73	6.82
Italy		6.750	02/07	97.6500	-0.070	7.09†	7.26	7.55
Japan	No 145	5.500	03/02	116.1426	-0.060	1.83	1.90	1.57
	No 182	3.000	09/05	103.2908	-0.040	2.52	2.63	2.30
Netherlands		5.750	02/07	100.3400	+0.060	5.70	5.82	5.81
Portugal		9.500	02/06	119.8100	+0.010	6.45	6.49	6.78
Spain		7.350	03/07	105.4500	+0.120	6.58	6.69	6.87
Sweden		8.000	08/07	107.4477	+0.150	6.95	7.10	7.37
UK Gilts		7.000	06/02	100-00	-2/32	7.00	7.08	7.33
		7.250	12/07	100-28	+1/32	7.13	7.24	7.63
		8.000	10/08	113-28	+1/32	7.19	7.30	7.72
US Treasury *		6.625	05/07	100-00	-	6.62	6.77	6.95
		6.625	02/27	96-23	-1/32	6.88	7.00	7.15
ECU (French Govt)		7.000	04/06	106.4800	+0.090	6.03	6.15	6.23

London closing, *New York mid-day. Yields: Local market standard.
† Gross (including withholding tax at 12.5 per cent payable by nonresidents)
Prices: US, UK in 32nds, others in decimal. Source: MMS International

US INTEREST RATES

Latest		Treasury Bills and Bond Yields			
Prime rate	8½	One month	-	Two year	6.22
Broker loan rate	7¼	Two month	-	Three year	6.35
Fed.funds	5½	Three month	5.07	Five year	6.50
Fed.funds at intervention	-	Six month	5.40	10-year	6.64
		One year	5.77	30-year	6.90

BOND FUTURES AND OPTIONS

France

■ NOTIONAL FRENCH BOND FUTURES (MATIF) FFr500,000

	Open	Sett price	Change	High	Low	Est. vol.	Open int.
Jun	129.14	129.26	+0.12	129.54	129.06	171,931	158,259
Sep	127.50	127.60	+0.10	127.86	127.44	32,523	71,993
Dec	96.92	97.02	+0.10	96.92	96.92	2	-

■ LONG TERM FRENCH BOND OPTIONS (MATIF)

Strike Price	CALLS Jun	CALLS Jul	CALLS Sep	PUTS Jun	PUTS Jul	PUTS Sep
126	1.73	2.01	2.21	0.23	0.52	0.72
127	0.96	1.34	1.55	0.48	0.84	1.05
128	0.43	0.79	1.01	0.93	1.29	1.51
129	0.14	0.42	0.60	1.64	-	2.08
130	0.03	0.19	0.31	-	-	-

Est. vol. total, Calls 18,212 Puts 35,018. Previous day's open int., Calls 113,130 Puts 146,060.

Germany

■ NOTIONAL GERMAN BUND FUTURES (LIFFE)* DM250,000 100ths of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	101.37	101.42	-0.07	101.47	101.35	37634	26004
Sep	100.33	100.51	+0.07	100.68	100.26	174346	206625

■ BUND FUTURES OPTIONS (LIFFE) DM250,000 points of 100%

Strike Price	CALLS Jul	CALLS Aug	CALLS Sep	CALLS Dec	PUTS Jul	PUTS Aug	PUTS Sep	PUTS Dec
10050	0.49	0.82	1.02	1.09	0.48	0.81	1.01	1.86
10100	0.27	0.57	0.77	0.90	0.78	1.06	1.28	2.29
10150	0.13	0.38	0.56	0.74	1.12	1.37	1.56	2.63

Est. vol. total, Calls 15760 Puts 18348. Previous day's open int., Calls 157287 Puts 184183

Italy

■ NOTIONAL ITALIAN GOVT. BOND (BTP) FUTURES (LIFFE)* Lira 200m 100ths of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Sep	130.36	130.52	+0.04	130.85	130.28	52454	80835
Dec	-	103.67	+0.09	-	-	0	150

■ ITALIAN GOVT. BOND (BTP) FUTURES OPTIONS (LIFFE) Lira200m 100ths of 100%

Strike Price	CALLS Sep	CALLS Dec	PUTS Sep	PUTS Dec
8000	-	23.67	-	0
8050	-	23.17	-	0
8100	-	22.67	-	0

Est. vol. total, Calls 1616 Puts 2447. Previous day's open int., Calls 34797 Puts 36393

Spain

■ NOTIONAL SPANISH BOND FUTURES (MEFF)

	Open	Sett price	Change	High	Low	Est. vol.	Open int.
Jun	115.60	115.75	+0.04	116.09	115.50	127,143	87,767
Sep	114.73	114.95	+0.05	115.25	114.73	8,004	25,810

UK

■ NOTIONAL UK GILT FUTURES (LIFFE)* £50,000 32nds of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	113-00	113-04	+0-01	113-13	112-30	11506	58647
Sep	113-08	113-13	+0-01	113-25	113-07	40448	149233

■ LONG GILT FUTURES OPTIONS (LIFFE) £50,000 64ths of 100%

Strike Price	CALLS Jul	CALLS Aug	CALLS Sep	CALLS Dec	PUTS Jul	PUTS Aug	PUTS Sep	PUTS Dec
113	0-61	1-26	1-48	2-18	0-35	1-00	1-22	2-14
114	0-31	0-59	1-18	1-51	1-05	1-33	1-54	2-49
115	0-14	0-36	0-54	1-23	1-52	2-10	2-28	3-24

Est. vol. total, Calls 1984 Puts 1445. Previous day's open int., Calls 37219 Puts 22601

Ecu

■ ECU BOND FUTURES (MATIF) ECU100,000

	Open	Sett price	Change	High	Low	Est. vol.	Open int.
Jun	95.00	95.04	+0.16	95.34	94.84	1,666	5,139
Sep	94.60	94.62	+0.14	94.94	94.50	654	717

US

■ US TREASURY BOND FUTURES (CBT) $100,000 32nds of 100%

	Open	Latest	Change	High	Low	Est. vol.	Open int.
Jun	110-13	110-10	-0-04	110-15	110-08	23,522	195,427
Sep	110-01	109-29	-0-04	110-03	109-26	265,259	306,372
Dec	109-18	109-18	-0-02	109-18	109-18	427	25,060

Japan

■ NOTIONAL LONG TERM JAPANESE GOVT. BOND FUTURES (LIFFE) Y100m 100ths of 100%

	Open	Close	Change	High	Low	Est. vol	Open int.
Jun	124.10	-	-	124.21	124.02	2304	n/a
Sep	122.67	-	-	122.79	122.60	3426	n/a

* LIFFE futures also traded on APT. All Open Interest figs. are for previous day.

FTSE Actuaries Govt. Securities

Price Indices UK Gilts	Thu Jun 5	Day's change %	Wed Jun 4	Accrued interest	xd adj. ytd
1 Up to 5 years (19)	118.65	-0.02	118.67	1.89	5.38
2 5-15 years (21)	151.49	0.01	151.47	1.57	5.93
3 Over 15 years (6)	178.31	0.00	178.30	4.99	5.02
4 Irredeemables (5)	206.04	0.70	204.60	1.40	7.10
5 All stocks (51)	146.07	0.00	146.06	2.31	5.83
Index-linked					
6 Up to 5 years (2)	204.41	0.01	204.39	1.08	3.03
7 Over 5 years (10)	198.20	-0.05	198.30	1.43	2.88
8 All stocks (12)	198.00	-0.04	198.09	1.39	2.86

UK Indices

	Low coupon yield Jun 5	Jun 4	Yr. ago	Medium coupon yield Jun 5	Jun 4	Yr. ago	High coupon yield Jun 5	Jun 4	Yr. ago
5 yrs	7.02	7.00	7.62	7.08	7.07	7.66	7.13	7.12	7.76
15 yrs	7.19	7.21	8.34	7.20	7.20	8.36	7.18	7.18	8.44
20 yrs	7.23	7.27	8.41	7.21	7.21	8.41	7.18	7.16	9.48
Irred.†	7.29	7.35	8.43						

	Inflation 5% Jun 5	Jun 4	Yr. ago	Inflation 10% Jun 5	Jun 4	Yr. ago
Up to 5 yrs	3.54	3.54	2.97	2.91	2.91	1.63
Over 5 yrs	3.66	3.66	3.77	3.48	3.45	3.58

Average gross redemption yields are shown above. Coupon Bands: Low: 0%-7¾%; Medium: 8%-10¾%; High: 11% and over. † Flat yield. ytd Year to date.

FT Fixed Interest Indices

	Jun 5	Jun 4	Jun 3	Jun 2	May 30	Yr ago	High*	Low*
Govt. Secs. (UK)	96.36	96.48	96.73	96.10	96.09	92.63	97.51	93.31
Fixed Interest	120.64	120.42	120.57	120.12	120.00	112.11	121.58	115.32

Gilt Edged Activity Indices

	Jun 4	Jun 3	Jun 2	May 30	May 29
Gilt Edged bargains	NA	NA	NA	NA	NA
5-day average	NA	NA	NA	NA	NA

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FT/ISMA INTERNATIONAL BOND SERVICE

Listed are the latest international bonds for which there is an adequate secondary market. Latest prices at 7:00 pm on June 5

	Issued	Bid	Offer	Chg	Yield
U.S. DOLLAR STRAIGHTS					
Abbey Natl Treasury 6½ 00	1000	98¼	98½		6.87
ABN Amro Bank 7¼ 05	1000	100½	100¾		7.29
African Dev Bk 7⅜ 23	500	98⅝	98⅞		7.49
Alberta Province 7⅜ 98	1000	101¼	101⅜	+⅛	6.25
Argentina 11⅜ 17	2000	109⅛	109⅝	-¼	10.55
Asian Dev Bank 6¼ 05	750	96½	96¾		6.92
Austria 8½ 00	400	104½	104⅝		6.56
Baden-Wuert L-Fin 8⅛ 00	1000	103½	103¾		6.81
Bancomext 7¼ 04	1000	92	92¼		9.05
Bank Ned Gemeenten 7 99	1000	101⅛	101⅜		6.42
Bayer Vereinsbk 8⅛ 00	500	103½	103¾		6.61
Belgium 5½ 00	1000	98¾	98⅞		6.72
British Columbia 7¾ 02	500	103⅞	104		6.81
British Gas 0 21	1500	15¼	15⅜	-⅛	7.86
Canada 6⅜ 05	1500	97½	97⅝	-⅛	6.89
Cheung Kong Fin 5½ 98	500	98¾	98⅞		6.90
China 6½ 04	1000	96	96¼		7.39
Credit Foncier 9½ 99	300	104⅞	105	+⅛	6.37
East Japan Railway 6⅝ 04	600	97½	97¾	-⅛	7.09
EIB 6 04	500	95⅝	95⅞		6.83
Ex-Im Bank Japan 8 02	500	105	105¼		6.78
Export Dev Corp 9½ 99	150	103¼	103½		6.34
Exxon Capital 0 04	1800	61¾	62¼	+⅛	6.89
Fed Home Loan 7⅛ 99	1500	101½	101⅝		6.45
Federal Natl Mort 7.40 04	1500	103½	103⅝	+⅛	6.88
Finland 7⅞ 04	1500	105⅛	105⅜		6.89
Ford Motor Credit 6½ 02	1250	98¼	98½		7.02
General Mills 0 13	1000	28⅜	28⅝		8.58
IN Finance 5¼ 98	650	98⅜	98⅝		6.38
Inter-Amer Dev 6⅛ 09	1000	95⅝	95¾		6.91
Inter-Amer Dev 7½ 05	500	103⅛	103½	+⅛	6.92
Intl Finance 5¾ 99	500	98½	98¾		6.25
Italy 6 03	2000	96⅞	97	-¼	6.72
Italy 6⅞ 23	3500	92⅞	93¼	-⅛	7.64
Japan Dev Bk 8⅜ 01	500	105⅜	105½		6.67
Korea Elec Power 6⅜ 00	1350	95⅛	95½		7.47
Matsushita Elec 7¼ 02	1000	102	102¼		6.90
Mexico 9⅞ 07	1000	104½	105	-⅛	9.37
Minfin Russia 9¼ 01	1000	99⅝	99⅞	-¼	9.72
Ontario 7⅜ 03	3000	102⅝	102¾		6.92
Ontario 7¾ 02	2000	104⅛	104⅜		6.86
Oster Kontrollbank 8½ 01	200	105¼	105⅝		6.70
Portugal 5¾ 03	1000	95¼	95½		6.79
Quebec Hydro 9¾ 98	150	103⅞	104		6.53
SAS 10 99	200	105	105⅜	-⅛	6.79
SNCF 9½ 98	150	103¼	103½	-⅛	6.38
Spain 6½ 99	1500	100¼	100½		6.36
Sweden 5½ 03	2000	95⅝	95⅞	-⅛	6.66
Tennessee Valley 8 00	1000	98½	98⅝		6.50
Tennessee Valley 6¾ 05	2000	97⅜	97½		6.92
Tokyo Elec Power 6¼ 03	1000	97⅜	97⅝	-¼	6.65
United Kingdom 6¾ 07	2000	101¼	101⅜	-⅛	6.39
United Kingdom 7¼ 02	3000	103¼	103⅜	-¼	6.41
Walt Disney 6⅜ 01	1300	98⅞	99		6.82
World Bank 6¾ 05	1500	97¾	97⅞		6.85
World Bank 8⅜ 99	1500	104⅞	105		6.18
DEUTSCHE MARK STRAIGHTS					
Austria 6½ 24	2000	97⅜	97½	+⅛	6.71
Baden-Wuert L-Finance 6 98	2000	104⅛	104¼		3.74
BAYERISCHE LB GIRO 6 05	1500	101¼	101¾	-¼	5.81
Credit Foncier 7¼ 03	2000	108½	108¾	+⅛	5.47
Depfa Finance 6⅜ 03	1500	105	105¼		5.41
Deutsche Bk Fin 7½ 00	2000	109⅞	110¼	-¼	5.43
Deutsche Finance 5¾ 04	2500	102	102¼	+⅛	5.38
EEC 6½ 00	2900	105¼	105¾	+⅛	4.06
EIB 6¼ 00	1500	105⅜	105¾		4.10
Finland 7½ 00	3000	108½	108⅝		4.03
Helaba Intl 5¾ 01	1500	104⅛	104¼		4.70
KfW Intl Finance 6¾ 03	2250	105	105⅜	+⅛	5.30
LKB Baden-Wuert 6½ 08	2250	103½	103⅝	+⅛	6.08
Ontario 6¼ 04	1500	104⅛	104¼	+⅛	5.48
Spain 7¼ 03	4000	110⅜	110⅝	+⅛	5.11
Volkswagen Intl Fin 7 03	1000	107⅞	108		5.44
World Bank 5⅞ 03	3000	103⅞	104	+⅛	5.15
World Bank 6⅛ 02	3000	105⅜	105⅝	+⅛	4.89
World Bank 7⅛ 05	3000	109⅝	109⅞		5.57
SWISS FRANC STRAIGHTS					
Asian Dev Bank 0 16	500	43½	44⅛		4.58
Austria 4½ 00	1000	108⅜	108⅝		2.03
Denmark 4¼ 99	1000	105	105¼		2.02
EIB 3¾ 99	1000	103¼	103½	-⅛	1.73
EIB 6¾ 04	300	115¾	116½	-⅛	4.21
Finland 7¼ 99	300	111⅛	111¾	-⅛	2.20
Helaba Finance 3¼ 00	1000	105⅛	105⅜	-⅛	2.24
Iceland 7⅞ 03	100	115¼		-⅛	2.53
Inter Amer Dev 4¾ 03	600	108¾	109		3.17
Ontario 6¼ 03	400	115¾	116¼		3.16
Quebec Hydro 5 08	100	104½	105½		4.46
SNCF 7 04	450	121¾	122¾	+¼	3.57
Sweden 4¼ 03	500	108⅜	108½	+⅛	3.19
World Bank 0 21	700	31⅝	32⅛		4.82
World Bank 7 01	600	115¾	116⅛	-⅛	2.54
YEN STRAIGHTS					
Belgium 5 99	75000	108⅞	109⅛		1.41
Credit Foncier 4¾ 02	75000	111½	111¾		2.36
EIB 6⅝ 00	100000	114⅛	114⅜		1.40
Ex-Im Bank Japan 4⅜ 03	105000	112	112¼		2.31
Fed Nat Mort 2 99	100000	101½	101⅝		1.40
Inter Amer Dev 7¼ 00	30000	116¼	116½	-¼	1.58
Italy 3½ 01	300000	108⅛	108¼		1.93
Italy 5 04	200000	115¾	116⅛	-⅛	2.86
Japan Dev Bk 5 99	100000	108⅜	108½		1.31
Japan Dev Bk 6½ 01	120000	119⅛	119¼	+⅛	1.82
SNCF 6¾ 00	30000	114⅛	114⅜		1.45
Spain 5¾ 02	125000	116¾	116⅞		2.05
World Bank 5¼ 02	250000	115⅛	115¼		1.94
OTHER STRAIGHTS					
EBRD 14¾ 98 R	250	99¼	100	-⅛	15.19
World Bank 15 99 R	500	100⅞	101⅝	-¼	14.23
Austria 6½ 99 R	1000	104¾	104⅞		3.86
PTT Nederland 6½ 06 R	1300	104½	104½		5.85
Bell Canada 10⅝ 99 C$	150	110½	110⅞	-⅛	5.23
British Columbia 7¾ 03 C$	1250	107¾	108	+⅛	6.39
Canada Mtg & Hsg 8¼ 99 C$	1000	106¾	106⅞		4.89
Elec de France 9¾ 99 C$	275	109½	109⅞	-⅛	5.16
KfW Int Fin 10 01 C$	400	113¾	114⅛		5.80
Nippon Tel Tel 10¼ 99 C$	200	110⅞	111¼		5.23
Ontario 8 03 C$	1500	108⅞	109¼	+⅛	6.23
Ontario Hydro 9 02 C$	2000	112⅞	113¼		6.10
Ontario Hydro 10⅞ 99 C$	500	110¼	110½		4.82
Oster Kontrollbank 10¼ 99 C$	150	110¼	110½		5.07
Quebec Hydro 7 04 C$	1000	102¾	103⅛	+⅛	6.61
Quebec Prov 10½ 99 C$	200	108⅛	108⅜		4.67
Council Europe 8 01 Ecu	1100	114⅞	115¼	+⅛	5.15
Credit Foncier 8⅜ 04 Ecu	1000	112	112⅜		6.15
Denmark 8½ 02 Ecu	1000	113¾	114	+⅛	5.23
EC 8 00 Ecu	1100	104	104⅜	+⅛	4.89
EIB 10 01 Ecu	1150	116¾	117⅛		4.85
Finland 8½ 07 Ecu	750	115¼	115¾	+⅛	6.32
Italy 9¾ 11 Ecu	2500	123⅝	124	+¼	6.58
Italy 10¾ 03 Ecu	1000	115¾	116⅛	+⅛	4.74
United Kingdom 9⅛ 01 Ecu	2750	114⅛	114⅜		4.86
AIDC 10 99 A$	100	106¾	107¼	-⅛	6.37
Comm Bk Australia 13¼ 99 A$	100	114⅝	115⅛	-⅛	6.63
EIB 7¼ 99 A$	350	104⅛	104¾	+⅛	5.74
Nat Australia Bank 6¼ 99 A$	250	100⅝	100⅞		6.01
NSW Treasury Zero 0 20 A$	1000	17¼	18	+¼	7.78
R & I Bank 7¼ 03 A$	125	103⅜	103¾	+⅛	7.04
State Bk NSW 9 02 A$	300	107½	107⅞	-⅛	7.23
Sth Aust Govt Fin 9 02 A$	150	107⅝	108		7.20
World Bank 8¾ 03 A$	100	104⅛	104⅜	-¼	8.74
Abbey Natl Treasury 8 03 £	1000	102	102¼	-⅛	7.55
British Land 8⅞ 23 £	150	104¼	104⅝		8.65
Denmark 6¾ 98 £	800	99⅝	99¾	+⅛	7.05
Depfa Finance 7⅛ 03 £	500	97⅜	97¾		7.59
EIB 8 03 £	1000	103⅛	103⅜		7.34
Finland 7 03 £	500	99⅝	99⅞		7.11
Glaxo Wellcome 8¾ 05 £	500	108½	108¾	+⅛	7.67
HSBC Holdings 11.69 02 £	153	116¼	116½	-⅛	7.73
Italy 10½ 14 £	400	125½	125¾		7.74
Japan Dev Bk 7 00 £	200	99⅜	99⅝	-⅛	7.20
Land Secs 9½ 07 £	200	111	111¼		7.86
Ontario 11⅛ 01 £	100	111⅛	111⅜		7.53
Powergen 8⅞ 03 £	250	104¾	105	-⅛	7.82
Severn Trent 11½ 99 £	150	107½	107¾	-⅛	7.49
Tokyo Elec Power 11 01 £	150	111⅛	111⅞		7.53
TCNZ Fin 9¼ 02 NZ$	75	106⅞	107⅝	+⅛	7.56
World Bank 9 99 NZ$	250	103½	104	+⅛	7.13
Credit Local 8 01 FFr	8000	104¾	105	+¼	4.78
Denmark 5½ 99 FFr	7000	103⅛	103½		3.98
Elec de France 8¾ 22 FFr	3000	124⅝	125	+⅛	8.70

FLOATING RATE NOTES

	Issued	Bid	Offer	C.cpn
Abbey Natl Treasury -1/16 99	1000	99.92	99.99	5.7500
Argentaria Global Fin 0 01	700	99.72	99.82	5.8164
Cades -1/16 01	2000	99.80	99.86	5.3750
Canada -¼ 99	2000	99.78	99.84	5.5625
CCCE 0 05 Ecu	200	99.73	100.00	4.0625
Commerzbk O/S Fin -⅛ 98	750	99.82	99.88	5.6875
Credit Lyonnais 1/16 00	300	98.26	98.73	5.7500
Dresdner Finance 1/16 05 DM	1000	99.98	100.05	3.2500
Fed Nat Mort -3/16 00	1000	99.78	99.83	5.3672
Finland -⅛ 99	1500	99.98	100.03	5.6875
Halifax BS 0 99	500	100.04	100.10	5.5625
IMI Bank Intl ¼ 99	500	100.33	100.42	6.0625
Italy 1/16 99	1500	100.31	100.38	5.9063
Italy ⅛ 98 Ecu	1500	100.17	100.25	4.3125
LKB Baden-Wuert Fin -⅛ 98	1000	99.92	99.99	5.8750
Lloyds Bank Perp S 0.10	600	89.25	90.25	5.6008
Malaysia 1/16 05	650	99.80	99.98	6.0625
Nova Scotia 3/16 99	500	99.97	100.06	6.0312
Ontario 0 99	2000	100.13	100.20	5.8125
Portugal 1/16 99 DM	2500	100.29	100.35	3.3086
Quebec Hydro 0 99	500	99.82	99.92	5.6164
Renfe 0 98	500	99.76	100.05	5.6730
Spain -1/16 02 DM	2000	100.04	100.10	3.1875
State Bk Victoria 0.05 99	125	99.94	100.00	5.7219
Sweden -⅛ 01	2000	100.01	100.08	5.7199
United Kingdom -⅛ 01	2000	99.89	99.92	5.5625

CONVERTIBLE BONDS

	Issued	Conv. Price	Bid	Offer	Prem.
Allied-Lyons 6¾ 08 £	200	6.04	98	99	+37.50
Deutsche Finance 0 17	1300	320.468	44⅛	44⅝	+15.69
Fuji Intl Finance ¼ 02 Y	210000	2002	98¼	99¼	+78.38
Gold Kalgoorlie 7½ 00	65	1.5299	100½	108	+29.63
Grand Metropolitan 6½ 00	710	4.37	120½	121½	-1.20
Hong Kong Land 4 01	410	31.05	91½	92½	-8.10
Land Secs 6¾ 02 £	84	6.72	125¼	129¼	-3.77
Lasmo 7¾ 05 £	90	5.04	97⅛	98⅛	
MBL Intl Fin 3 02	2000	22	105¼	106	-0.94
Mitsui Bank 2⅝ 03	200	2332.6	80½	82½	
Penncoll 4¾ 03	500	58.6097	125	128	+1.92
Sandoz Capital 2 02	730	1230.53	129¾	130	+33.43
Seppi BH Finance 7½ 02	250	78	93⅝	94⅝	+84.84
Sapporo 1⅜ 00 Y	40000	1066.4	100½	101½	+41.82
Sumitomo Bank 3⅛ 04	300	3606.9	92½	93½	+81.62
Sun Alliance 7¼ 08 £	156	3.9	119½	120½	+29.89
Transatlantic Hldgs 5½ 09 £	250	5.05	98	98½	+1.52

* No information available - previous day's price
‡ Only one market maker supplied a price

STRAIGHT BONDS: The yield is the yield to redemption of the bid-price; the amount issued is in millions of currency units. Chg. day=Change on day.
FLOATING RATE NOTES: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. Spread=Margin above six-month offered rate (‡three-month §above mean rate) for US dollars. C.cpn=The current coupon.
CONVERTIBLE BONDS: Denominated in dollars unless otherwise indicated. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

UK GILTS PRICES

	Notes	Yield Int	Yield Red	Price £	+ or -	52 week High	52 week Low
Shorts* (Lives up to Five Years)							
Treas Cnv 7pc 1997‡‡		6.99	6.27	100[illegible]	—	101[illegible]	100[illegible]
Treas 8¾pc 1997‡‡		8.71	6.45	100½	—	107[illegible]	100[illegible]
Exch 15pc 1997		14.54	6.50	103[illegible]	-1/32	111[illegible]	102[illegible]
Exch 9¾pc 1998		9.55	6.65	101[illegible]	-1/32	105[illegible]	100[illegible]
Treas 7¼pc 1998‡‡		7.22	6.63	100[illegible]	-1/32	108[illegible]	100[illegible]
Treas 15½pc '98‡‡		14.01	6.78	110[illegible]	—	118[illegible]	110[illegible]
Exch 12pc 1998		11.21	6.81	107[illegible]	-1/32	111[illegible]	107[illegible]
Treas 9½pc 1999‡‡		9.13	6.85	104	—	108[illegible]	97[illegible]
Treas Flg Rate 1999‡‡		-	-	100[illegible]xd	—	100[illegible]	99[illegible]
Exch 12¼pc 1999		11.25	6.89	108[illegible]	-1/32	113[illegible]	108[illegible]
Treas 10½pc 1999		9.86	6.81	106[illegible]	-1/32	110[illegible]	106[illegible]
Treas 6pc 1999‡‡		6.10	6.88	98[illegible]	-1/32	99¼	96[illegible]
Conversion 10¼pc 1999		9.55	6.95	107[illegible]	-1/32	118[illegible]	106[illegible]
Conv 9pc 2000‡‡		8.57	6.96	105	-1/32	107½	103[illegible]
Treas 13pc 2000		11.17	7.05	116⅜	-1/32	120[illegible]	116[illegible]
Treas 14pc 1998-1		13.13	6.74	106[illegible]	-1/32	113[illegible]	106[illegible]
Treas 8pc 2000‡‡		7.76	6.88	103[illegible]xd	-1/32	104[illegible]	102
Treas Flg Rate 2001		-	-	100[illegible]	—	100[illegible]	99¾
Treas 10pc 2001		9.14	7.06	109[illegible]	—	112[illegible]	99[illegible]
Treas 7pc 2001‡‡		7.01	7.03	99⅞	-1/32	101⅛	97[illegible]
Five to Fifteen Years							
Treas 7pc 2002‡‡		7.00	7.00	100[illegible]xd	-1/32	101[illegible]	97[illegible]
Treas 9¾pc 2002		8.76	7.11	111[illegible]	-1/32	122¼	109½
Treas 8pc 2003‡‡		7.68	7.08	104[illegible]xd	-1/32	105[illegible]	100⅞
Treas 10pc 2003		8.76	7.13	114[illegible]	-1/32	116[illegible]	111[illegible]
Treas 11½pc 2001-4		10.05	7.09	114[illegible]	-1/32	121⅞	113⅝
Funding 3½pc 1999-4		4.07	5.88	85[illegible]	-1/32	87[illegible]	79[illegible]
Conversion 9½pc 2004		8.37	7.11	113[illegible]	-1/32	114[illegible]	108⅝
Treas 6¾pc 2004‡‡		6.88	7.07	98¼	-1/32	99[illegible]	92⅞
Conv 9½pc 2005		8.33	7.13	114[illegible]	—	122[illegible]	108⅝
Treas 12½pc 2003-5		9.82	7.15	127[illegible]	-1/16	129[illegible]	124[illegible]
Treas 8½pc 2005‡‡		7.93	7.13	108[illegible]xd	-1/32	109⅞	102[illegible]
Treas 7½pc 2006‡‡		7.32	7.14	102[illegible]xd	+1/32	103[illegible]	95½
Treas 7¾pc 2006‡‡		7.46	7.16	103[illegible]	+1/32	107¼	98[illegible]
Treas 8pc 2002-6‡‡		7.76	7.25	103[illegible]	—	104⅞	99⅛
Treas 11¾pc 2003-7		9.71	7.15	121	-1/16	123[illegible]	115⅛
Treas 8½pc 2007‡‡		7.76	7.17	109½	+1/32	111[illegible]	101[illegible]
Treas 7 1/4pc 2007‡‡		7.18	7.12	100[illegible]xd	+1/32	102[illegible]	96⅛
Treas 9pc 2008‡‡		7.91	7.18	113[illegible]	+1/32	115[illegible]	103[illegible]
Treas 8pc 2009		7.52	7.20	106⅛	+1/32	107⅛	97[illegible]
Treas 6 1/4pc 2010‡‡		6.82	7.22	91[illegible]	-1/32	96⅜	82[illegible]
Conv 9pc Ln 2011‡‡		7.76	7.22	115[illegible]	-1/32	117⅞	105[illegible]
Over Fifteen Years							
Treas 9pc 2012‡‡		7.75	7.23	116[illegible]	-1/32	118	105⅛
Treas 5½pc 2008-12‡‡		6.34	6.97	86[illegible]	+1/16	87[illegible]	78[illegible]
Treas 8pc 2013‡‡		7.45	7.22	107[illegible]	-1/32	109⅛	98¼
Treas 7¾pc 2012-15‡‡		7.40	7.24	104[illegible]	+1/16	106	93⅞
Treas 8pc 2015‡‡		7.39	7.18	108[illegible]xd	-1/32	109[illegible]	98[illegible]
Treas 8¾pc 2017‡‡		7.55	7.23	115[illegible]	-1/32	117⅞	102[illegible]
Treas 8pc 2021‡‡		7.32	7.17	109[illegible]xd	-1/32	111[illegible]	99[illegible]
Undated							
Consols 4pc		7.48	-	53[illegible]	+1/16	54[illegible]	46[illegible]
War Loan 3½pc‡‡		7.24	-	48[illegible]	+1/32	49[illegible]	41[illegible]
Conv 3½pc '61 Aft		5.36	-	65[illegible]	—	66[illegible]	58[illegible]
Treas 3pc '66 Aft		7.52	-	39[illegible]	+1/16	39[illegible]	34[illegible]
Consols 2½pc		7.35	-	34[illegible]	-1/16	35[illegible]	30
Treas. 2½pc		7.31	-	34[illegible]	+1/16	34[illegible]	29[illegible]

	Notes	Yield (1)	Yield (2)	Price £	+ or -	52 week High	52 week Low
Index-Linked	(b)						
4⅝pc '98‡‡	(135.6)	-	2.75	114[illegible]	—	114⅜	113[illegible]
2½pc '01	(78.3)	2.91	3.54	186[illegible]	—	187[illegible]	178[illegible]
2½pc '03	(78.8)	3.14	3.59	182[illegible]	—	184[illegible]	173⅝
4⅛pc '04‡‡	(135.6)	3.18	3.58	117[illegible]	-1/32	120[illegible]	113[illegible]
2pc '06	(69.5)	3.30	3.60	191[illegible]	-1/32	195[illegible]	181¼
2½pc '09	(78.8)	3.37	3.62	172⅛	-1/32	176[illegible]	162[illegible]
2½pc '11	(74.6)	3.41	3.63	178½	-1/32	183[illegible]	167[illegible]
2½pc '13	(89.2)	3.46	3.65	148[illegible]	-1/32	150[illegible]	137⅛
2½pc '16	(81.6)	3.48	3.66	158[illegible]	-1/32	161[illegible]	148⅛
2½pc '20	(83.0)	3.55	3.69	149[illegible]	-1/16	154[illegible]	139¼
2½pc '24‡‡	(97.7)	3.56	3.69	124[illegible]	-1/16	128[illegible]	115⅞
4⅛pc '30‡‡	(135.1)	3.55	3.69	121[illegible]	-1/16	126⅛	114[illegible]

Prospective real redemption rate on projected inflation of (1) 10% and (2) 5%. (b) Figures in parentheses show RPI base for indexing (ie 8 months prior to issue) and have been adjusted to reflect rebasing of RPI to 100 in February 1987. Conversion factor 3.945. RPI for September 1996: 153.8 and for April 1997: 156.3.

Other Fixed Interest

	Notes	Yield Int	Yield Red	Price £	+ or -	52 week High	52 week Low
Asian Dev 10¼pc 2009		8.49	7.55	120¾	—	123[illegible]	112[illegible]
B'ham 11½pc 2012		8.75	8.00	131½	—	132½	122
Leeds 13½pc 2006		9.75	-	138½	—	139½	130¼
Liverpool 3½pc Irred		7.95	-	44xd	—	44	37½
LCC 3pc '20 Aft		7.69	-	39	—	39	32⅝
Manchester 11½pc 2007		9.02	7.65	127½	—	127½	119
Met. Wtr. 3pc 'B'		3.68	6.55	82	—	82	74½
Anglia 3⅞pc 2021		-	4.00	143[illegible]	—	147¾	138¾
4¼pc IL 2024		-	4.41	139	—	142[illegible]	132¾

● 'Tap' stock. ‡‡ Tax-free to non-residents on application. E Auction basis. xd Ex dividend. Closing mid-prices are shown in pounds per £100 nominal of stock. Prospective real Index-Linked redemption yields are calculated by HSBC Greenwell from Bank of England closing prices.

هكذا من الاصل

CURRENCIES AND MONEY

Yen rises on rate talk and surplus

MARKETS REPORT

By Richard Adams

Strong buying of the Japanese yen, on the back of interest rate expectations and a healthy trade surplus, sent the currency stronger against the US dollar on the European markets.

The yen continued its march through the Y116 level against the dollar from trading in Tokyo, and ended the day in London at Y115.5 – half a yen lower than the end of the previous day's trading.

The movement came after Japan announced a trade surplus of Y41.16bn for the first 20 days of May, compared with a deficit of Y180.94bn in the same period last year. Mr Yasuo Matsushita, the Bank of Japan governor, said the bank was prepared to act pre-emptively on interest rates.

The yen's gains were broad-based, with the D-Mark falling to Y66.85 in Europe, from its previous close of Y67.16.

In the UK, a weaker than expected retail activity survey knocked sterling lower against the D-Mark, but analysts said the pound picked up as the focus shifted to the inaugural meeting of the Bank of England's new Monetary Policy Committee.

Against the D-Mark, the pound improved by a third of a pfennig to DM2.8197. Sterling also made a similar improvement against the US dollar, rising above $1.63.

Currency analysts said the dollar was being held back by the usual pre-employment data nerves, with the release of latest labour market statistics today.

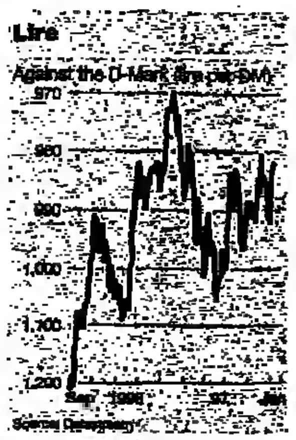
The dollar lost a fraction of ground to the D-Mark, closing in London at DM1.7289.

■ The D-Mark was buoyed by some very strong economic data on GDP and industrial orders, but was dragged down by leaked jobless figures, suggesting more bad news on unemployment.

German industrial orders grew 3.2 per cent in April from the preceding month, an unusually strong gain compared with a 0.9 per cent rise in March. Orders were up 6.2 per cent from a year earlier, after a 5.5 per cent gain in March.

The orders news came after first quarter GDP figures showed growth of 0.5 per cent – although how strong the figures were was a matter of dispute.

Among the European currencies, the D-Mark picked itself up and recorded small appreciations against the French franc and the Swiss franc. One hundred D-Marks bought SFr83.7 at yesterday's close, 0.2 more than Wednesday.



Analysts at Deutsche Morgan Grenfell noted that the D-Mark's trade-weighted index had fallen to its lowest level in more than three years this week.

DMG said the market's focus has shifted away from the details of the German economy – "the market is aware the fiscal straits are severe" – towards increased doubts over Germany's ability to meet the Maastricht criteria.

■ The Philippines moved to avert any further runs on the peso yesterday, with a new regulation requiring Philippine banks to set aside 30 per cent of foreign exchange assets in cash or short-term securities.

The Philippine banking industry was recently hit by speculation that it may have over-extended foreign exchange loans, and could suffer the same crisis as Thailand.

At present, banks can place their assets in any form of securities and loans. About half of banks' current foreign exchange assets are in long-term loans.

Meanwhile, the Thai baht remained strong against the dollar, on strong offshore demand to cover short positions, dealers said. The baht reached Bt23.9 to the dollar on the offshore market, its highest level since the last baht devaluation in 1984.

■ The Bulgarian lev has weakened slightly since the government decided to peg it using a currency board. Mr Pepko Bahovski, head of the corporate trading desk for ING Bank in Sofia, said the lev was trading around Lv1,670 to the US dollar, and Lv967 to the D-Mark.

The D-Mark rate reflects the interest rate differential against Germany, but central bank rate is to fall from 50 per cent to 47.98 per cent on July 9. The lev will be pegged at Lv1,000 to the D-Mark on July 1.

■ **Pound in New York**

Jun 5	—Latest—	– Prev. close –
£ spot	1.6325	1.6330
1 mth	1.6314	1.6320
3 mth	1.6291	1.6295
1 yr	1.6207	1.6187

■ **OTHER CURRENCIES**

Jun 5	£	$
Czech Rp	54.1929 - 54.3897	33.2390 - 33.3270
Hungary	300.939 - 301.205	184.580 - 184.630
Iran	4894.20 - 4891.20	3000.00 - 3000.00
Kuwait	0.4935 - 0.4942	0.3027 - 0.3029
Poland	5.2813 - 5.2878	3.2270 - 3.2290
Russia	9399.25 - 9413.18	5765.00 - 5770.00
U.A.E.	5.9880 - 5.9923	3.6727 - 3.6731

POUND SPOT FORWARD AGAINST THE POUND

Jun 5		Closing mid-point	Change on day	Bid/offer spread	Day's Mid high	Day's Mid low	One month Rate	One month %PA	Three months Rate	Three months %PA	One year Rate	One year %PA	Bank of Eng. Index
Europe													
Austria	(Sch)	19.8448	+0.0246	335 - 561	19.8703	19.7712	19.7913	3.2	19.7038	2.9	-	-	102.8
Belgium	(BFr)	58.1840	+0.0809	254 - 426	58.3070	57.9780	58.029	3.2	57.714	3.2	56.264	3.3	102.6
Denmark	(DKr)	10.7367	+0.0125	318 - 416	10.7519	10.6976	10.7112	2.8	10.6587	2.8	10.4372	2.8	105.2
Finland	(FM)	8.4620	+0.0283	553 - 686	8.4880	8.4330	-	-	-	-	-	-	82.1
France	(FFr)	9.5123	+0.0162	077 - 168	9.5209	9.4640	9.4881	3.1	9.4402	3.0	9.2175	3.1	105.3
Germany	(DM)	2.8197	+0.0035	181 - 212	2.8246	2.8090	2.8121	3.2	2.7961	3.3	2.7258	3.2	103.6
Greece	(Dr)	448.123	+0.755	838 - 407	450.245	444.620	-	-	-	-	-	-	65.0
Ireland	(I£)	1.0990	+0.0036	979 - 001	1.1004	1.0933	1.0991	-0.1	1.0981	0.3	1.0911	0.7	97.3
Italy	(L)	2770.03	+4.51	842 - 163	2773.84	2764.16	2771.93	-0.8	2773.33	-0.5	2759.43	0.4	76.3
Luxembourg	(LFr)	58.1840	+0.0809	254 - 426	58.3070	57.9780	58.029	3.2	57.714	3.2	56.264	3.3	102.6
Netherlands	(Fl)	3.1726	+0.0047	710 - 742	3.1803	3.1614	3.1641	3.2	3.1462	3.3	3.068	3.3	102.2
Norway	(NKr)	11.6871	+0.0624	788 - 955	11.7025	11.6116	11.6568	3.1	11.5971	3.1	11.3511	2.9	97.9
Portugal	(Es)	285.163	+0.958	831 - 495	285.500	284.002	285.013	0.6	284.638	0.7	-	-	93.3
Spain	(Pta)	238.177	+0.309	071 - 282	238.370	237.440	238.017	0.8	237.577	1.0	234.822	1.4	77.4
Sweden	(SKr)	12.6371	+0.0124	271 - 471	12.6673	12.5962	12.6156	2.0	12.5676	2.2	12.3738	2.1	83.9
Switzerland	(SFr)	2.3603	+0.0079	589 - 616	2.3620	2.3485	2.351	4.8	2.3318	4.8	2.2479	4.8	105.0
UK	(£)	-	-	-	-	-	-	-	-	-	-	-	99.7
Ecu	-	1.4462	+0.0035	455 - 468	1.4471	1.4408	1.4435	2.2	1.4376	2.4	1.4105	2.5	-
SDR†	-	1.178530	-	-	-	-	-	-	-	-	-	-	-
Americas													
Argentina	(Peso)	1.6307	+0.0025	301 - 312	1.6337	1.6287	-	-	-	-	-	-	-
Brazil	(R$)	1.7498	+0.0031	491 - 505	1.7512	1.7480	-	-	-	-	-	-	-
Canada	(C$)	2.2436	+0.0034	425 - 446	2.2490	2.2418	2.2373	3.3	2.2259	3.2	2.1841	2.6	84.9
Mexico	(New Peso)	12.8543	+0.0407	470 - 615	12.9669	12.9211	-	-	-	-	-	-	-
USA	($)	1.6309	+0.0024	304 - 314	1.6340	1.6289	1.6298	0.9	1.6276	0.8	1.619	0.7	102.9
Pacific/Middle East/Africa													
Australia	(A$)	2.1438	-0.0039	424 - 452	2.1586	2.1400	2.1432	0.3	2.1413	0.5	2.1313	0.6	93.7
Hong Kong	(HK$)	12.6289	+0.0193	242 - 336	12.6512	12.6139	12.6229	0.6	12.6123	0.5	12.5776	0.4	-
India	(Rs)	58.3373	+0.0843	705 - 041	58.4320	58.2850	-	-	-	-	-	-	-
Israel	(Shk)	5.5620	+0.0095	554 - 686	5.5689	5.5645	-	-	-	-	-	-	-
Japan	(Y)	188.491	-0.637	393 - 580	189.670	188.130	187.431	6.7	185.421	6.5	178.608	6.3	131.8
Malaysia	(M$)	4.1039	+0.0067	018 - 059	4.1116	4.1003	-	-	-	-	-	-	-
New Zealand	(NZ$)	2.3755	+0.0118	736 - 774	2.3818	2.3713	2.3754	0.1	2.3763	-0.1	2.3835	-0.3	112.9
Philippines	(Peso)	43.0101	+0.0711	610 - 592	43.0600	42.9559	-	-	-	-	-	-	-
Saudi Arabia	(SR)	6.1167	+0.0092	147 - 187	6.1278	6.1084	-	-	-	-	-	-	-
Singapore	(S$)	2.3293	+0.0014	277 - 308	2.3351	2.3268	-	-	-	-	-	-	-
South Africa	(R)	7.3097	+0.0223	050 - 144	7.3200	7.2955	-	-	-	-	-	-	-
South Korea	(Won)	1452.32	+1.37	780 - 884	1457.08	1447.79	-	-	-	-	-	-	-
Taiwan	(T$)	45.4856	+0.0683	311 - 405	45.5723	45.4300	-	-	-	-	-	-	-
Thailand	(Bt)	39.0601	-1.061	686 - 536	45.7720	38.9020	-	-	-	-	-	-	-

† Rates for Jun 4. Bid/offer spreads in the Pound Spot table show only the last three decimal places. Forward rates are not directly quoted to the market but are implied by current interest rates. Sterling index calculated by the Bank of England. Base average 1990 = 100. Index rebased 1/2/95. Bid, Offer and Mid-rates in both this and the Dollar Spot tables derived from THE WM/REUTERS CLOSING SPOT RATES. Some values are rounded by the F.T. The exchange rates printed in this table are also available on the internet at http://www.FT.com

DOLLAR SPOT FORWARD AGAINST THE DOLLAR

Jun 6		Closing mid-point	Change on day	Bid/offer spread	Day's mid high	Day's mid low	One month Rate	One month %PA	Three months Rate	Three months %PA	One year Rate	One year %PA	J.P Morgan index
Europe													
Austria	(Sch)	12.1690	-0.0032	648 - 712	12.1735	12.1320	12.1455	2.2	12.0968	2.3	11.848	2.6	102.5
Belgium	(BFr)	35.6780	-0.004	510 - 010	35.7140	35.5780	35.601	2.5	35.446	2.8	34.706	2.7	102.6
Denmark	(DKr)	6.5838	-0.0022	823 - 843	6.5960	6.5638	6.5716	2.1	6.5468	2.2	6.4348	2.3	104.8
Finland	(FM)	5.1885	+0.0095	860 - 910	5.2003	5.1675	5.1766	2.8	5.1522	2.8	5.044	2.8	81.7
France	(FFr)	5.8326	+0.0005	316 - 335	5.8338	5.8190	5.8208	2.4	5.798	2.4	5.682	2.6	104.8
Germany	(DM)	1.7289	-0.0005	285 - 293	1.7300	1.7240	1.7252	2.6	1.7175	2.6	1.6806	2.8	103.4
Greece	(Dr)	274.770	+0.05	680 - 860	276.220	272.830	275.665	-3.9	277.195	-3.5	283.47	-3.2	64.7
Ireland	(I£)	1.4840	-0.0028	830 - 850	1.4826	1.4825	1.4833	0.5	1.4828	0.3	1.4795	0.3	-
Italy	(L)	1698.47	+0.22	800 - 893	1700.30	1695.15	1700.37	-1.3	1703.07	-1.1	1706.35	-0.4	76.0
Luxembourg	(LFr)	35.6780	-0.004	510 - 010	35.7140	35.5780	35.601	2.5	35.446	2.8	34.706	2.7	102.8
Netherlands	(Fl)	1.9453	-0.0001	449 - 457	1.9480	1.9399	1.9412	2.5	1.9326	2.6	1.8921	2.7	102.0
Norway	(NKr)	7.1660	+0.0275	630 - 690	7.1725	7.1252	7.1487	2.9	7.1233	2.4	6.9975	2.4	97.5
Portugal	(Es)	174.850	+0.325	700 - 000	175.150	174.320	174.835	0.1	174.77	0.2	173.46	0.8	93.9
Spain	(Pta)	146.040	-0.08	020 - 060	146.070	145.600	146.04	0.0	145.963	0.2	144.705	0.9	77.0
Sweden	(SKr)	7.7486	-0.004	448 - 523	7.7806	7.7309	7.7392	1.4	7.7186	1.5	7.6241	1.6	83.5
Switzerland	(SFr)	1.4472	+0.0026	468 - 476	1.4480	1.4405	1.4424	4.0	1.4328	4.0	1.3869	4.2	104.8
UK	(£)	1.6309	+0.0024	304 - 314	1.6340	1.6289	1.6298	0.8	1.6276	0.8	1.610	0.7	99.3
Ecu	-	1.1278	-0.001	278 - 279	1.1316	1.1270	1.1292	-1.5	1.1326	-1.7	1.1502	-2.0	-
SDR†	-	0.72268	-	-	-	-	-	-	-	-	-	-	-
Americas													
Argentina	(Peso)	0.9998	-	998 - 999	0.9999	0.9998	-	-	-	-	-	-	-
Brazil	(R$)	1.0729	+0.0003	728 - 730	1.0731	1.0718	-	-	-	-	-	-	-
Canada	(C$)	1.3757	-	754 - 759	1.3770	1.3741	1.3727	2.8	1.3672	2.5	1.3462	2.0	84.7
Mexico	(New Peso)	7.9430	+0.013	410 - 450	7.9460	7.9400	8.0515	-16.4	8.253	-15.6	9.248	-16.4	-
USA	($)	-	-	-	-	-	-	-	-	-	-	-	108.9
Pacific/Middle East/Africa													
Australia	(A$)	1.3145	-0.0043	141 - 149	1.3151	1.3140	1.3149	-0.4	1.315	-0.2	1.314	0.0	95.6
Hong Kong	(HK$)	7.7435	+0.0002	430 - 440	7.7448	7.7422	7.7445	-0.2	7.7459	-0.1	7.758	-0.2	-
India	(Rs)	35.7700	-0.002	400 - 000	35.8200	35.7200	35.86	-3.0	36.145	-4.2	33.95	5.1	-
Israel	(Shk)	3.4104	+0.0007	074 - 134	3.4144	3.4065	-	-	-	-	-	-	-
Japan	(Y)	115.575	-0.585	550 - 600	116.300	115.470	115.02	5.8	113.915	5.7	109.015	5.7	132.1
Malaysia	(M$)	2.5163	+0.0003	158 - 168	2.5173	2.5149	2.5186	-1.1	2.5227	-1.0	2.5398	-0.9	-
New Zealand	(NZ$)	1.4566	+0.0051	558 - 573	1.4576	1.4557	1.4574	-0.7	1.4598	-0.8	1.4699	-0.9	-
Philippines	(Peso)	26.3720	+0.004	500 - 940	26.3940	26.3500	-	-	-	-	-	-	-
Saudi Arabia	(SR)	3.7505	-	504 - 506	3.7507	3.7503	3.7508	-0.1	3.7513	-0.1	3.7542	-0.1	-
Singapore	(S$)	1.4282	-0.0013	277 - 287	1.4298	1.4275	1.4265	1.4	1.4224	1.6	1.4007	1.8	-
South Africa	(R)	4.4820	+0.007	805 - 835	4.4880	4.4720	4.5215	-10.8	4.599	-10.4	4.897	-9.3	-
South Korea	(Won)	890.500	-0.5	000 - 000	893.200	887.800	-	-	-	-	-	-	-
Taiwan	(T$)	27.8900	-	650 - 150	27.9200	27.8640	27.8907	0.0	27.892	0.0	27.8963	0.0	-
Thailand	(Bt)	23.9600	-0.7	000 - 000	26.0500	23.8500	24.0113	-3.1	24.135	-3.1	24.705	-3.2	-

† SDR rate per $ for Jun 4. Bid/offer spreads in the Dollar Spot table show only the last three decimal places. Forward rates are not directly quoted to the market but are implied by current interest rates. UK, Ireland & ECU are quoted in US currency. J.P. Morgan nominal indices Jun 4: Base average 1990=100.
The exchange rates printed in this table are also available on the internet at http://www.FT.com

WORLD INTEREST RATES

MONEY RATES

June 5	Over night	One month	Three mths	Six mths	One year	Lomb. inter.	Dis. rate	Repo rate
Belgium	3¼	3⅛	3⅛	3⅛	3⅜	6.00	2.50	-
France	3¼	3⅛	3¼	3⅜	3½	3.10	-	4.75
Germany	2⅞	3⅛	3¼	3⅛	3⅜	4.50	2.50	3.00
Ireland	6	6¼	6¼	6¼	6¼	-	-	6.75
Italy	6⅞	6¾	6⅞	6¾	6¾	8.25	6.75	6.79
Netherlands	3¼	3⅛	3⅛	3⅛	3⅜	-	2.50	2.90
Switzerland	¼	1⅛	1¼	1⅜	1⅝	-	1.00	-
US	5½	5⅝	5⅝	5⅞	6⅛	-	5.00	-
Japan	½	½	⅝	⅝	⅝	-	0.50	-
■ **$ LIBOR FT London**								
Interbank Fixing	-	5⅝	5⅞	5⅞	6⅛	-	-	-
US Dollar CDs	-	5.59	5.62	5.74	6.01	-	-	-
ECU Linked Ds	-	4⅛	4⅛	4⅛	4⅛	-	-	-
SDR Linked Ds	-	3¼	3⅜	3⅜	3⅝	-	-	-

$ LIBOR interbank fixing rates are offered rates for $10m quoted to the market by four reference banks at 11am each working day. The banks are: Bankers Trust, Bank of Tokyo Mitsubishi, Barclays and National Westminster.
Mid rates are shown for the domestic Money Rates, US$ CDs, ECU & SDR Linked Deposits (Ds).

EURO CURRENCY INTEREST RATES

Jun 5	Short term	7 days notice	One month	Three months	Six months	One year
Belgian Franc	3¼ - 3⅛	3⅜ - 3¼	3⅜ - 3¼	3⅜ - 3¼	3½ - 3⅜	3⅝ - 3½
Danish Krone	3¾ - 3½	3⅝ - 3½	3⅝ - 3½	3⅞ - 3¾	3⅞ - 3¾	3⅞ - 3¾
German Mark	3⅛ - 2⅞	3⅛ - 2⅞	3⅛ - 2⅞	3⅛ - 2⅞	3¼ - 3	3⅝ - 3½
Dutch Guilder	3¼ - 3⅛	3⅜ - 3⅛	3¼ - 3⅛	3¼ - 3⅛	3⅜ - 3¼	3⅝ - 3½
French Franc	3⅜ - 3¼	3⅜ - 3¼	3⅜ - 3¼	3⅜ - 3¼	3½ - 3⅜	3⅝ - 3½
Portuguese Esc.	6⅛ - 6	6¼ - 6⅛	6 - 5⅞	5¾ - 5⅝	5⅝ - 5½	5⅝ - 5½
Spanish Peseta	5⅞ - 5⅝	5⅝ - 5½	5⅝ - 5¼	5⅝ - 5½	5⅝ - 5½	5⅝ - 5½
Sterling	6⅛ - 5½	6¾ - 6⅝	6⅞ - 6¾	6⅞ - 6¾	6⅞ - 6¾	7⅛ - 6⅞
Swiss Franc	⅞ - ⅝	1⅛ - 1	1⅜ - 1⅛	1½ - 1⅜	1⅝ - 1½	1⅞ - 1¾
Canadian Dollar	3⅛ - 2⅞	3⅛ - 2⅞	3⅛ - 3	3¼ - 3⅛	3⅝ - 3½	4⅛ - 3⅞
US Dollar	5⅝ - 5½	5¾ - 5⅝	5¾ - 5⅝	5⅞ - 5¾	5⅞ - 5¾	6⅛ - 6
Italian Lira	7½ - 6½	6⅞ - 6¾	6⅞ - 6¾	6⅞ - 6¾	6⅞ - 6¾	6⅞ - 6¾
Japanese Yen	½ - ⅜	⅝ - ½	⅝ - ½	⅝ - ½	¾ - ⅝	⅞ - ¾
Asian $Sing	3 - 2⅞	3¼ - 3⅛	3⅜ - 3¼	3½ - 3⅜	3⅝ - 3½	3¾ - 3⅝

Short term rates are call for the US Dollar and Yen, others: two days' notice.

■ **THREE MONTH PIBOR FUTURES** (MATIF) Paris interbank offered rate

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	96.51	96.54	+0.03	96.57	96.51	25,658	59,509
Sep	96.45	96.47	+0.02	96.49	96.45	15,905	62,112
Dec	96.44	96.45	+0.01	96.47	96.44	4,663	32,536

■ **THREE MONTH EUROMARK FUTURES** (LIFFE)* DM1m points of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	96.81	96.82	-	96.82	96.81	11439	208182
Sep	96.75	96.76	+0.01	96.77	96.75	26594	219753
Dec	96.65	96.65	-	96.66	96.64	14318	248749
Mar	96.54	96.53	-0.01	96.55	96.53	15381	222382

■ **ONE MONTH EUROMARK FUTURES** (LIFFE)* DM5m points of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	96.86	96.86	-	96.86	96.86	187	2125
Jul	-	96.84	-	-	-	0	360
Aug	-	96.81	-	-	-	0	116
Sep	-	96.79	-	-	-	0	3

■ **THREE MONTH EUROLIRA FUTURES** (LIFFE)* L1000m points of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	93.18	93.17	-0.02	93.20	93.16	17517	84087
Sep	93.42	93.38	-0.04	93.43	93.36	19943	107958
Dec	93.63	93.61	-0.03	93.65	93.58	11512	58999
Mar	93.78	93.75	-0.03	93.80	93.74	4185	37027

■ **THREE MONTH EURO SWISS FRANC FUTURES** (LIFFE) SFr1m points of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	98.63	98.57	-0.07	98.63	98.55	4798	39454
Sep	98.50	98.47	-0.06	98.53	98.44	6979	58677
Dec	98.33	98.28	-0.05	98.33	98.26	2780	32648
Mar	98.16	98.14	-0.05	98.16	98.13	153	15231

■ **THREE MONTH EUROYEN FUTURES** (LIFFE) Y100m points of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	99.40	99.38	-	99.40	99.38	4	n/a
Sep	-	99.16	-	-	-	0	n/a
Dec	98.86	98.87	+0.02	98.86	98.86	404	n/a

■ **THREE MONTH ECU FUTURES** (LIFFE) Ecu1m points of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	95.84	95.83	-0.02	95.85	95.83	869	7884
Sep	95.83	95.81	-0.02	95.83	95.80	397	6967
Dec	95.80	95.79	-0.02	95.81	95.79	69	5401
Mar	95.72	95.71	-0.02	95.73	95.71	151	3930

* LIFFE futures also traded on APT

■ **EUROLIRA OPTIONS** (LIFFE) L1000m points of 100%

Strike Price	CALLS Jun	CALLS Sep	CALLS Dec	PUTS Jun	PUTS Sep	PUTS Dec
9300	0.18	0.51	0.76	0.02	0.13	0.16
9325	0.03	0.34	0.58	0.11	0.21	0.22
9350	0	0.19	0.42	0.33	0.31	0.31

Est. vol. total, Calls 2376 Puts 1025. Previous day's open int., Calls 184065 Puts 92567

CROSS RATES AND DERIVATIVES

EXCHANGE CROSS RATES

Jun 5		BFr	DKr	FFr	DM	I£	L	Fl	NKr	Es	Pta	SKr	SFr	£	C$	$	Y	Ecu
Belgium	(BFr)	100	18.45	16.35	4.846	1.889	4761	5.453	20.09	490.1	409.4	21.72	4.057	1.719	3.858	2.803	324.0	2.486
Denmark	(DKr)	54.18	10	8.860	2.626	1.024	2580	2.955	10.89	265.6	221.8	11.77	2.198	0.931	2.090	1.518	175.6	1.347
France	(FFr)	61.17	11.29	10	2.964	1.156	2912	3.335	12.29	299.8	250.4	13.29	2.481	1.051	2.359	1.715	198.2	1.520
Germany	(DM)	20.64	3.808	3.374	1	0.390	982.4	1.125	4.145	101.1	84.47	4.482	0.837	0.355	0.796	0.578	66.85	0.513
Ireland	(I£)	52.94	9.770	8.655	2.566	1	2521	2.887	10.63	259.5	216.7	11.50	2.148	0.910	2.042	1.484	171.5	1.316
Italy	(L)	2.100	0.388	0.343	0.102	0.040	100	0.115	0.422	10.29	8.596	0.456	0.085	0.036	0.081	0.059	6.805	0.052
Netherlands	(Fl)	18.34	3.384	2.998	0.889	0.346	873.1	1	3.684	89.88	75.07	3.983	0.744	0.315	0.707	0.514	59.41	0.456
Norway	(NKr)	49.79	9.187	8.139	2.413	0.940	2370	2.715	10	244.0	203.8	10.81	2.020	0.856	1.920	1.396	161.3	1.237
Portugal	(Es)	20.40	3.765	3.336	0.989	0.385	971.4	1.113	4.098	100	83.52	4.432	0.828	0.351	0.787	0.572	66.10	0.507
Spain	(Pta)	24.43	4.508	3.994	1.184	0.461	1163	1.332	4.907	119.7	100	5.306	0.991	0.420	0.942	0.685	79.14	0.607
Sweden	(SKr)	46.04	8.496	7.527	2.231	0.870	2192	2.511	9.248	225.7	188.5	10	1.868	0.791	1.775	1.291	149.2	1.144
Switzerland	(SFr)	24.65	4.549	4.030	1.195	0.466	1174	1.344	4.952	120.6	100.9	5.354	1	0.424	0.951	0.691	79.86	0.613
UK	(£)	58.18	10.74	9.512	2.820	1.099	2770	3.173	11.69	285.2	238.2	12.64	2.360	1	2.244	1.631	188.5	1.446
Canada	(C$)	25.93	4.785	4.240	1.257	0.490	1235	1.414	5.209	127.1	106.2	5.632	1.052	0.446	1	0.727	84.01	0.645
USA	($)	35.68	6.583	5.833	1.729	0.674	1698	1.945	7.166	174.9	146.0	7.749	1.447	0.615	1.376	1	115.6	0.887
Japan	(Y)	30.87	5.696	5.047	1.496	0.583	1470	1.683	6.200	151.3	126.4	6.704	1.252	0.531	1.190	0.865	100	0.767
Ecu	-	40.24	7.425	6.578	1.950	0.760	1916	2.194	8.082	197.2	164.7	8.739	1.632	0.692	1.552	1.128	130.3	1

Danish Kroner, French Franc, Norwegian Kroner, and Swedish Kronor per 10; Belgian Franc, Yen, Escudo, Lira and Peseta per 100.

■ **D-MARK FUTURES** (IMM) DM 125,000 per DM

	Open	Latest	Change	High	Low	Est. vol	Open int.
Jun	0.5790	0.5795	+0.0014	0.5802	0.5784	17,568	76,048
Sep	0.5831	0.5834	+0.0015	0.5840	0.5818	6,738	23,179
Dec	-	0.5859	-	0.5867	-	208	459

■ **JAPANESE YEN FUTURES** (IMM) Yen 12.5m per Yen 100

	Open	Latest	Change	High	Low	Est. vol	Open int.
Jun	0.8617	0.8649	+0.0033	0.8667	0.8605	6,764	73,146
Sep	0.8725	0.8765	+0.0035	0.8777	0.8725	1,578	9,599
Dec	-	0.8845	-	-	-	20	684

■ **SWISS FRANC FUTURES** (IMM) SFr 125,000 per SFr

	Open	Latest	Change	High	Low	Est. vol	Open int.
Jun	0.6922	0.6942	+0.0022	0.6949	0.6920	16,045	37,881
Sep	0.7000	0.7016	+0.0022	0.7024	0.7000	3,922	6,464
Dec	-	0.7080	+0.0015	0.7090	0.7070	65	550

■ **STERLING FUTURES** (IMM) £62,500 per £

	Open	Latest	Change	High	Low	Est. vol	Open int.
Jun	1.6322	1.6304	-0.0012	1.6340	1.6284	6,535	38,012
Sep	1.6280	1.6290	+0.0006	1.6290	1.6250	548	5,653
Dec	-	1.6252	-	-	1.6230	4	113

UK INTEREST RATES

LONDON MONEY RATES

Jun 5	Over-night	7 days notice	One month	Three months	Six months	One year
Interbank Sterling	6 - 5	6¼ - 6	6½ - 6⅜	6⅝ - 6½	6⅞ - 6¾	7⅛ - 6⅞
Sterling CDs	-	-	6⅜ - 6¼	6½ - 6⅜	6¾ - 6½	6⅞ - 6¾
Treasury Bills	-	-	6⅜ - 6¼	6½ - 6⅜	-	-
Bank Bills	-	-	6⅜ - 6¼	6⅝ - 6½	6¾ - 6⅝	-
Local authority deps.	6⅛ - 6	6⅛ - 6	6⅜ - 6¼	6⅝ - 6½	6⅞ - 6¾	7 - 6⅞
Discount Market deps	6⅜ - 6⅛	6⅜ - 6¼	-	-	-	-

UK clearing bank base lending rate 6¼ per cent from May 6, 1997

	Up to 1 month	1-3 month	3-6 months	6-9 months	9-12 months
Certs of Tax dep. (£100,000)	2½	5½	5	5	4¼

Certs of Tax dep. under £100,000 is 2½pc. Deposits withdrawn for cash 1¼pc.
Ave. tender rate of discount on May 30, 6.2106pc. ECGD fixed rate Stg. Export Finance. Make up day May 30, 1997. Agreed rate for period Jun 26, 1997 to Jul 25, 1997, Scheme III 7.78pc. Reference rate for period May 1, 1997 to May 30, 1997, Schemes IV & V 6.530pc. Finance House Base Rate 7pc from Jun 1, 1997

■ **THREE MONTH STERLING FUTURES** (LIFFE) £500,000 points of 100%

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	93.34	93.34	-	93.35	93.32	16138	108028
Sep	93.15	93.17	+0.01	93.18	93.13	14681	115482
Dec	92.98	93.01	+0.01	93.03	92.97	17945	99894
Mar	92.86	92.89	+0.01	92.92	92.85	7313	62681
Jun	92.78	92.79	-	92.82	92.77	1712	48400

Also traded on APT. All Open interest figs. are for previous day.

■ **SHORT STERLING OPTIONS** (LIFFE) £500,000 points of 100%

Strike Price	CALLS Jun	CALLS Sep	CALLS Dec	PUTS Jun	PUTS Sep	PUTS Dec
9325	0.12	0.08	0.09	0.03	0.18	0.33
9350	0.01	0.02	0.03	0.17	0.35	0.52
9375	0	0	0.01	0.41	0.58	0.75

Est. vol. total, Calls 5041 Puts 7040. Previous day's open int., Calls 181299 Puts 175566

EMS EUROPEAN CURRENCY UNIT RATES

Jun 6	Ecu cen. rates	Rate against Ecu	Change on day	% +/- from cen. rate	% spread v weakest	Div. ind.
Ireland	0.798709	0.762580	-0.001099	-4.51	7.25	30
Portugal	197.398	198.176	+0.251	0.39	2.01	-3
Finland	5.85424	5.88784	+0.02066	0.57	1.83	-4
Italy	1906.48	1927.03	+0.47	1.08	1.32	-8
Spain	163.826	165.601	+0.074	1.08	1.31	-8
Denmark	7.34555	7.46581	-0.0026	1.64	0.76	-11
Netherlands	2.16979	2.20665	+0.00003	1.70	0.70	-13
Germany	1.92573	1.96100	+0	1.83	0.57	-16
Austria	13.5485	13.8016	-0.001	1.87	0.53	-14
Belgium	39.7191	40.4612	-0.0021	1.87	0.53	-14
France	6.45863	6.61427	-0.00059	2.41	0.00	-20
NON ERM MEMBERS						
Greece	295.269	311.901	+0.294	5.63	-3.05	-
UK	0.793103	0.695884	-0.000024	-12.26	15.72	-

Ecu central rates set by the European Commission. Currencies are in descending relative strength. Percentage changes are for Ecu; a positive change denotes a weak currency. Divergence shows the ratio between two spreads: the percentage difference between the actual market and Ecu central rates for a currency, and the maximum permitted percentage deviation of the currency's market rate from its Ecu central rate. 17/9/92: Sterling suspended from ERM. Adjustment calculated by the Financial Times.

■ **PHILADELPHIA SE £/$ OPTIONS** £31,250 (cents per pound)

Strike Price	CALLS Jun	CALLS Jul	CALLS Aug	PUTS Jun	PUTS Jul	PUTS Aug
1.620	1.25	1.97	2.51	0.45	1.26	1.96
1.630	0.65	1.45	2.05	0.89	1.75	2.51
1.640	0.38	1.04	1.63	1.54	2.34	2.99

Previous day's vol., Calls 394 Puts 2,367. Prev. day's open int., Calls 34,847 Puts 37,585

■ **PHILADELPHIA SE D-MARK/$ OPTIONS** DM62,500 ($ per DM)

Strike Price	CALLS Jun	CALLS Jul	CALLS Aug	PUTS Jun	PUTS Jul	PUTS Aug
0.575	0.55	0.93	1.25	0.24	0.53	0.75
0.580	0.29	0.65	1.00	0.49	0.77	0.96
0.585	0.15	0.46	0.79	0.80	1.07	1.23

Previous day's vol., Calls 726 Puts 295. Prev. day's open int., Calls 22,782 Puts 29,516

■ **THREE MONTH EURODOLLAR** (IMM) $1m points of 100%

	Open	Latest	Change	High	Low	Est. vol	Open int.
Jun	94.19	94.18	-	94.19	94.19	36,091	401,530
Sep	94.02	94.00	-0.02	94.02	94.00	60,550	482,288
Dec	93.80	93.78	-0.02	93.79	93.77	63,487	379,238

■ **US TREASURY BILL FUTURES** (IMM) $1m per 100%

	Open	Latest	Change	High	Low	Est. vol	Open int.
Jun	94.93	94.94	-	94.94	94.93	700	4,122
Sep	94.65	94.65	-	94.65	94.65	68	5,862

All Open interest figs. are for previous day

■ **EUROMARK OPTIONS** (LIFFE) DM1m points of 100%

Strike Price	CALLS Jun	CALLS Jul	CALLS Aug	CALLS Sep	PUTS Jun	PUTS Jul	PUTS Aug	PUTS Sep
9675	0.07	0.04	0.05	0.06	0	0.03	0.04	0.06
9700	0.01	0	0.01	0.01	0.18	0.24	0.25	0.25
9725	0	0	0	0	0.43	0.49	0.49	0.49

Est. vol. total, Calls 17605 Puts 20078. Previous day's open int., Calls 492336 Puts 310495

■ **EURO SWISS FRANC OPTIONS** (LIFFE) SFr 1m points of 100%

Strike Price	CALLS Jun	CALLS Sep	CALLS Dec	PUTS Jun	PUTS Sep	PUTS Dec
9875	0.02	0.08	0.07	0.20	0.34	0.54
9900	0	0.02	0.04	0.43	0.55	0.78

Est. vol. total, Calls 0 Puts 0. Previous day's open int., Calls 4605 Puts 4040

BASE LENDING RATES

	%
Adam & Company	6.25
Allied Irish Bank (GB)	6.25
●Henry Ansbacher	6.25
Bank of Baroda	6.25
Banco Bilbao Vizcaya	6.25
Bank of Cyprus	6.25
Bank of Ireland	6.25
Bank of India	6.00
Bank of Scotland	6.25
Barclays Bank	6.25
Brit Bk of Mid East	6.25
●Brown Shipley & Co Ltd	6.25
Citibank NA	6.25
Clydesdale Bank	6.25
The Co-operative Bank	6.25
Coutts & Co	6.25
Cyprus Popular Bank	6.25
Duncan Lawrie	6.25
Exeter Bank Limited	7.25
Financial & Gen Bank	7.00
●Robert Fleming & Co	6.25
●Guinness Mahon	6.25
Habib Bank AG Zurich	6.25
●Hambros Bank	6.25
Heritable & Gen Inv Bk	6.25
C. Hoare & Co	6.25
Hongkong & Shanghai	6.25
Investec Bank (UK) Ltd	6.25
Julian Hodge Bank	6.25
●Leopold Joseph & Sons	6.25
Lloyds Bank	6.25
Midland Bank	6.25
NatWestminster	6.25
●Rea Brothers	6.25
Royal Bk of Scotland	6.25
●Singer & Friedlander	6.25
●Smith & Williamson Secs	6.25
Scottish Widows Bank	6.00
TSB	6.25
United Bank of Kuwait	6.25
Unity Trust Bank Plc	6.00
Western Trust	6.25
Whiteaway Laidlaw	6.25
Yorkshire Bank	6.25

● Members of London Investment Banking Association
* In administration

Star Mining's Russian hopes revived

By Chrystia Freeland in Mosco

Star Mining, the Australian mining company whose stake in a Russian gold mine was unexpectedly revoked by a court decision earlier this year, could have its interest restored by s government resolution signed by Mr Victor Chernomyrdin, the Russian prime minister, earlier this week.

Russian and western investors involved in tha development of Sukhoi Log, the 31m troy ounce gold deposit caught up in the legal wrangle, cautiously cheered the prime minister's move and said they hoped it would open the way for the project to go ahead.

The resolution calls for the privatisation of the Lenzoloto joint venture, the company working the gold deposit, to be upheld and for the current division of shares to be maintained.

To resolve the legal problems raised by Russian courts on March 31, the prime minister's decree calls for the company to hold a new shareholders' meeting at which it is directed to approve a new version of founding documents, which do not clash with Russian legislation. The company has called a shareholders' meeting for June 28 at which it plans to make the necessary changes.

Lenzoloto and government officials welcomed the ruling. They said it would untie a legal knot which had threatened to derail the development of Russia's largest gold deposit and set a worrying precedent for foreign investment.

"In effect, this legalises the company and creates an impulse for unblocking the existing situation," Mr Boris Yatskevich, a board member of Lenzoloto and deputy minister for natural resources, told the Russian news agency Interfax.

Officials from Star Mining and JCI, its South African partner in the venture, were in Moscow yesterday to try to secure the new arrangement.

The court's surprise decision to rule against the privatisation of Lenzoloto and formally dissolve the company earlier this year was greeted with dismay by western investors, who feared it set a dangerous precedent.

Russia's swift and unruly privatisation process means that few companies were privatised strictly according to the letter of the law, provoking fears that the Lenzoloto case might be repeated at other enterprises.

Bull run in coffee collapses

MARKETS REPORT

By Gary Mead and Kenneth Gooding

The recent bull run in coffee futures in London collapsed yesterday, as the July future for robusta on the London Intsrnational Financial Futures Exchange slipped 8.5 per cent on tha day.

The July contract closed at $1,905 a tonne, down $178, with almost $100 of the slide happening in the last 15 minutes, as profit-takers sought to lock in gains made last week, when the price reached a 20-month peak.

In New York, the pattern was similar on the Coffee, Sugar and Cocoa Exchange, where July arabica beans initially fell to 232 cents a pound, the lowest since May 13, before recovering to 236.50 cents, down 15.05 cents on the previous close.

There was also a bearish mood on the international Petroleum Exchange, with Brent oil for July delivery down 27 cents a barrel to $18.45 in late trading.

Copper bulls received a boost when the International Copper Study Gronp, a United Nations-sponsored organisation, said it expected only a "modest copper supply surplus" this year on the basis of forecasts supplied by member nations.

Vietnam takes a fresh look at tea

As a convoy of vehicles lurches along a track in northern Vietnam, a stream of bicycles travels in the opposite direction, carrying wicker panniers bulging with freshly picked tea.

"That's one of our biggest problems: transportation," says Mr Noshir Jalnawala, Indian field adviser to the Phn Ben Tea Company, a Bslgian-Vietnamese joint venture at the forefront of a revival in Vietnam's neglected tea sector.

Without an asphalt road to the plantations a few kilometres sway, the processing plant run by Phu Ben relies on basic transport, often resulting in damaged tea.

Such problems are familiar to investors in Phn Ben. But they mirror the issues facing Vietnam's tea industry as it attempts to establish a presence on international markets. If it is to achieve that goal, a thorough overhaul is needed.

"What they were doing here when we arrived was what the tea industry was doing in the 1950s. We've have had to try and change that in s year," said Mr Iain Lang, Phn Ben's general director.

Tea has been grown in Vietnam since the Chinese introduced it to the country's hilly north about a thousand years ago. French colonialists were active in commercial prodnction at the turn of the century.

Vietnamese tea growers are still schooled in traditional practices Jeremy Grant

After the upheaval of revolution and war, the industry bounced back with help from the former Soviet Union, which supplied equipment in return for absorbing more than 60 per cent of exports. But that ended with the collapse of the Soviet system.

Current production from the country's 70,000 hectares is abont 38,000 tonnes of green and black tea a year. Half is exported, the bulk being black tea shipped to Iran and Iraq.

Until Phu Ben's foreign investors arrived a year ago, the plant was muddling through on government handonts, obsolete machinery and hopelessly inefficient growing techniques.

The foreign side of the $6m joint venture is Sipef, a commodities company listed on the Brussels and Geneva bourses; Templeton, a US investment fund; and two Flemish institutional investors. Vietnam Tea Corp (Vinatea), the dominant state-run prodncer and exporter, is the local partner.

They aim to transform Phu Ben into a modern tea operation, supplying Europe, the US and Pakistan with high grade cut, twist and curl and orthodox teas.

The first step was buying a new processing line, installed this month by Bedi & Bedi of India. Jersey-based Tea Estate Agencies handles marketing.

Boosting yield is the top priority, according to Mr Lang. "Even if yon take average north Indian yields, which are 2,000kg per hectare of black tea, that's 140,000 tonnes. The Vietnamese can quadruple their yield, even if they don't plant another hectare."

Such concepts are alien to Vietnamese growers still schooled in traditional practices. Take drainage. Mr Jalnawala says farmers held out for six months against the introduction of hillside drainage, refusing to believe it would improve quality.

Tea pickers who tended to strip bushes at the first sign of foliage are slowly being encouraged to cultivate "maintenance leaves" lower down the bush as a way of ensuring sustainable growth.

Another problem is seeds. In the absence of fresh seed stock, farmers simply replant old seed collected from the ground.

For Mr Lang, the next step is to import new seeds from India. Although India bans the export of indigenous tea seeds, he hopes an intergovernmental deal may be possible given the warm relations between the countries.

The developments at Phn Ben may mesh with Hanoi's official policy of encouraging foreign investment in value-added agriculture processing. But it is hard to predict a future for foreign investment in Vietnamese tea because the authorities appear ambivalent towards encouraging more.

Vinatea general director Mr Nguyen Kim Phong says a master-plan for the development of the tea industry calls for the planting of an additional 30,000 hectares by 2000. That will require investment of $100m. But he is reluctant to spell out a role for foreign investors in meeting these targets.

Bankers suspect policymakers are facing pressure from local producers. They may be reluctant to enter into revenue-sharing arrangements with foreign companies in an industry where returns can be rapid.

Jeremy Grant

COMMODITIES NEWS DIGEST

Rumours sweep palladium market

The London palladium market was yesterday swept by rumours of a possible default on the delivery of the metal, an essential material in some electronic components and catalysts, as chaos caused by Russia's failure to export any palladium this year increased.

Dealers stopped quoting forward rates for palladium after the cost of borrowing the metal for one month soared to an unprecedented annualised rate of 300 per cent, compared with the 2-3 per cent seen in normal conditions. Market-making members of the London Platinum & Palladium Market Association then hastily called an informal meeting yesterday afternoon to discuss measures to restore order to the market.

At the morning price "fixing" in London palladium reached a record $235 a troy ounce, but by the close last night it was et $210, down $10 an ounce from Wednesday's close.

Mr Nick Moore, analyst at Flemings Global Mining Group, pointed out that there was no fundamental shortage of palladium but bureaucratic hold-ups were stopping deliveries from Russia, the biggest producer. "This is a transitory event. When Russia starts exporting again, palladium is likely to come out in a deluge and the bubble will burst."

There were conflicting rumours about the role being played by the Tiger Fund, a US hedge fund that dealers suggested had built np a palladium stock of 1.5m ounces. Some months ago, when the palladium price was $130 an ounce, Tiger said it expected the price to move up to between $200 and $300 an ounce.

Kenneth Gooding, Mining Correspondent

Exchanges urged to co-operate

Greater international co-operation in regulation of commodity exchanges inched forward yesterday, with the publication of an interim report from the London Commodity Futures Market Conference, which first met in November 1996 in the wake of the Sumitomo copper affair. The conference aims to develop global standards of best practice in commodity markets.

Ms Brooksley Born, chair of the Commodity Futures Trading Commission in the US and one of three co-chairs of the London Conference, said "collaborative efforts are not merely useful, they are absolutely essential" to ensure international exchanges and regulators are better placed to prevent commodity market manipulation.

However, she told the Financial Times that "it's impractical at this point in history to be too prescriptive, I think it's useful that exchanges around the world continue to have differing regulatory mechanisms for dealing with this problem; that way, we can see a variety of methods and assess which work best."

Details of the report were presented at the International Derivatives Conference in London by Ms Born; Mr Hidehiro Konno, director-general of Japan's Ministry of International Trade and Industry; and Sir Andrew Large, chairman of the UK's Securities and Investments Board. Their final report, which will set out guidelines concerning best practice on contract design, market surveillance and information sharing, is scheduled to be published at a meeting to be held in Tokyo in October.

Gary Mead

COMMODITIES PRICES

BASE METALS

LONDON METAL EXCHANGE

(Prices from Amalgamated Metal Trading)

■ ALUMINIUM, 99.7 PURITY ($ per tonne)

	Cash	3 mths
Close	1576.5-77.5	1599-600
Previous	1569-70	1593-93.5
High/low		1603/1589
AM Official	1572-73	1597-98
Kerb close		1598-600
Open int.	262,365	
Total daily turnover	85,183	

■ ALUMINIUM ALLOY ($ per tonne)

	Cash	3 mths
Close	1460-65	1484-85
Previous	1455-65	1480-85
High/low		1485/1483
AM Official	1460-61	1480-83
Kerb close		1480-85
Open int.	5,172	
Total daily turnover	1,457	

■ LEAD ($ per tonne)

	Cash	3 mths
Close	621.5-2.5	635-6
Previous	612-13	626-27
High/low	615	640/628
AM Official	614.5-5.5	629.5-30
Kerb close		638-9
Open int.	34,856	
Total daily turnover	10,246	

■ NICKEL ($ per tonne)

	Cash	3 mths
Close	7110-15	7220-25
Previous	7040-45	7130-40
High/low		7240/7140
AM Official	7090-94	7190-91
Kerb close		7235-40
Open int.	53,144	
Total daily turnover	11,845	

■ TIN ($ per tonne)

	Cash	3 mths
Close	5605-15	5640-50
Previous	5555-65	5610-20
High/low		5670/5605
AM Official	5570-80	5615-20
Kerb close		5670-80
Open int.	16,647	
Total daily turnover	4,858	

■ ZINC, special high grade ($ per tonne)

	Cash	3 mths
Close	1346-47	1369.5-70
Previous	1319-20	1344-45
High/low	1338	1375/1357
AM Official	1338-38.5	1359-60
Kerb close		1374-75
Open int.	93,148	
Total daily turnover	24,774	

■ COPPER, grade A ($ per tonne)

	Cash	3 mths
Close	2533-36	2475-76
Previous	2533.5-36.5	2475.5-76.0
High/low	2539	2487/2465
AM Official	2538-39	2476.5-77
Kerb close		2481-82
Open int.	137,645	
Total daily turnover	48,109	

■ LME AM Official £/$ rate: 1.6297
LME Closing £/$ rate: 1.6310

Spot: 1.6325 3 mths: 1.6293 6 mths: 1.6267 9 mths: 1.6236

■ HIGH GRADE COPPER (COMEX)

	Sett price	Day's change	High	Low	Vol	Open int
Jun	116.75	+1.15	116.90	115.50	464	2,818
Jul	117.00	+1.35	117.20	115.50	736	32,548
Aug	114.80	+0.95	114.75	113.50	501	2,506
Sep	113.80	+1.15	113.80	112.40	1,331	7,104
Oct	111.80	+1.15	–	–	8	1,128
Nov	110.50	+1.35	–	–	16	1,220
Total					10,494	88,752

PRECIOUS METALS

■ LONDON BULLION MARKET

(Prices supplied by N M Rothschild)

Gold(Troy oz)	$ price	£ equiv	SFr equiv
Close	342.70-343.20		
Opening	341.30-341.80		
Morning fix	340.70	208.74	491.02
Afternoon fix	340.80	208.93	491.85
Day's High	343.00-343.40		
Day's Low	339.80-340.20		
Previous close	341.80-342.30		

Loco Ldn Mean Gold Lending Rates (Vs US$)

1 month	4.04	6 months	4.15
2 months	4.08	12 months	4.24
3 months	4.10		

Silver Fix	p/troy oz.	US cts equiv.
Spot	290.25	473.25
3 months	292.90	476.65
6 months	297.40	483.10
1 year	305.85	495.30
Gold Coins	$ price	£ equiv
Krugerrand	344-346	211-212
Maple Leaf		
New Sovereign	80-83	49-51

Precious Metals continued

■ GOLD COMEX (100 Troy oz.; $/troy oz.)

	Sett price	Day's change	High	Low	Vol	Open int
Jun	343.0	+2.1	342.6	339.0	359	765
Aug	345.6	+2.0	345.7	341.5	23,646	66,337
Oct	348.1	+2.1	348.0	344.5	309	7,453
Dec	350.6	+2.1	350.8	346.3	880	26,196
Feb	353.1	+2.1	350.0	350.0	139	7,694
Apr	355.5	+2.1	–	–	45	3,845
Total					25,836	161,961

■ PLATINUM NYMEX (50 Troy oz.; $/troy oz.)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	436.6	+25.0	436.6	410.0	1,963	13,752
Oct	410.8	+18.0	409.8	392.0	594	4,947
Jan	404.6	+14.0	400.0	390.0	14	1,264
Apr	402.6	+12.0	–	–	2	22
Total					2,571	19,985

■ PALLADIUM NYMEX (100 Troy oz.; $/troy oz.)

	Sett price	Day's change	High	Low	Vol	Open int
Jun	200.15	–2.65	214.00	188.00	708	362
Sep	173.15	+0.35	174.40	168.00	1,122	6,958
Dec	163.15	–1.65	170.00	170.00	8	423
Jan	163.15	–1.65	–	–	–	95
Total					1,838	7,838

■ SILVER COMEX (5,000 Troy oz.; Cents/troy oz.)

	Sett price	Day's change	High	Low	Vol	Open int
Jun	475.5	+7.2	–	–	284	2
Jul	477.0	+7.0	482.0	468.5	12,561	54,013
Sep	481.3	+7.1	485.0	473.0	2,325	9,367
Dec	487.7	+7.3	491.0	480.0	276	7,989
Jan	489.7	+7.4	–	–	–	17
Mar	494.4	+7.5	499.5	487.0	276	8,542
Total					16,179	88,649

ENERGY

■ CRUDE OIL NYMEX (1,000 barrels, $/barrel)

	Latest price	Day's change	High	Low	Vol	Open int
Jul	19.78	–0.34	20.20	19.71	42,854	85,081
Aug	20.00	–0.27	20.34	19.90	22,040	52,927
Sep	20.05	–0.27	20.35	20.00	133	32,422
Oct	20.15	–0.18	20.24	20.03	2,589	20,413
Nov	20.15	–0.18	20.27	20.10	989	17,876
Dec	20.18	–0.14	20.42	20.10	6,272	33,299
Total					98,845	389,593

■ CRUDE OIL IPE ($/barrel)

	Latest price	Day's change	High	Low	Vol	Open int
Jul	18.40	–0.32	18.70	18.35	19,267	49,658
Aug	18.61	–0.28	18.96	18.58	14,034	51,789
Sep	18.70	–0.26	19.10	18.76	2,543	13,855
Oct	18.89	–0.22	19.13	18.87	1,031	9,457
Nov	18.97	–0.17	19.17	18.92	503	8,368
Dec	19.05	–0.10	19.15	19.92	660	12,120
Total					n/a	n/a

■ HEATING OIL NYMEX (42,000 US galls.; c/US galls.)

	Latest price	Day's change	High	Low	Vol	Open int
Jul	53.55	–0.61	54.25	53.20	14,930	36,833
Aug	54.05	–0.67	54.70	53.80	6,839	18,069
Sep	55.00	–0.52	55.45	54.70	2,276	10,120
Oct	55.80	–0.57	56.35	55.80	2,171	10,196
Nov	56.65	–0.52	57.00	56.55	2,794	8,876
Dec	57.45	–0.47	57.75	57.30	3,594	13,996
Total					38,814	122,727

■ GAS OIL IPE ($/tonne)

	Sett price	Day's change	High	Low	Vol	Open int
Jun	165.75	–3.00	169.00	165.50	7,527	16,202
Jul	167.75	–2.75	170.25	167.25	6,721	14,023
Aug	169.75	–2.75	172.00	169.25	1,301	8,450
Sep	171.75	–3.00	174.25	171.25	800	5,123
Oct	174.00	–2.75	175.25	173.75	502	5,605
Nov	175.75	–2.50	176.00	175.75	232	2,342
Total					15,774	64,851

■ NATURAL GAS NYMEX (10,000 mmBtu; $/mmBtu.)

	Latest price	Day's change	High	Low	Vol	Open int
Jul	2.150	–0.007	2.165	2.105	13,905	34,175
Aug	2.165	–0.003	2.175	2.125	4,039	22,733
Sep	2.160	–	2.160	2.130	2,663	17,741
Oct	2.165	–0.008	2.175	2.140	1,972	20,049
Nov	2.300	–0.005	2.305	2.280	368	8,855
Dec	2.435	–	2.438	2.405	765	12,463
Total					27,285	193,993

■ UNLEADED GASOLINE
NYMEX (42,000 US galls.; c/US galls.)

	Latest price	Day's change	High	Low	Vol	Open int
Jul	59.70	–0.72	60.75	59.55	15,994	40,258
Aug	59.05	–0.59	59.71	58.60	6,961	14,782
Sep	58.30	–0.62	58.60	58.20	1,902	4,714
Oct	57.00	–0.42	57.05	57.00	798	3,258
Nov	56.20	–0.07	–	–	165	1,756
Dec	56.30	–0.12	58.30	58.20	240	4,144
Total					28,303	73,806

GRAINS AND OIL SEEDS

■ WHEAT LIFFE (100 tonnes; £ per tonne)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	84.50	–0.75	85.50	84.50	22	1,100
Sep	89.00	–	–	–	–	186
Nov	91.00	–	91.15	91.00	89	3,606
Jan	93.00	–	93.00	93.00	60	1,670
Mar	95.00	–	95.00	95.00	8	818
May	97.00	–	67.00	67.00	1	486
Total					180	7,857

■ WHEAT CBT (5,000bu min; cents/60lb bushel)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	356.00	+2.25	358.00	351.00	13,079	45,486
Sep	363.25	+1.75	365.50	359.00	3,587	16,633
Dec	375.75	+2.50	377.00	370.00	2,410	16,521
Mar	378.75	+3.25	379.00	374.00	177	2,116
May	367.50	–	–	–	3	64
Jul	362.00	–	362.50	362.00	95	656
Total					19,365	81,586

■ MAIZE CBT (5,000 bu min; cents/56lb bushel)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	274.25	+3.00	275.00	268.50	33,117	110,712
Sep	259.50	+3.00	260.00	255.75	5,088	33,208
Dec	257.75	+3.00	258.00	252.00	20,853	108,675
Mar	264.00	+3.00	264.25	260.50	1,103	13,622
May	268.00	+2.50	268.00	264.25	235	1,474
Jul	272.00	+3.00	272.00	268.00	63	3,410
Total					60,595	275,466

■ BARLEY LIFFE (100 tonnes; £ per tonne)

	Sett price	Day's change	High	Low	Vol	Open int
Sep	86.00	–1.00	–	–	–	35
Nov	88.00	–1.00	89.00	89.00	5	1,132
Jan	90.00	–1.00	91.00	91.00	2	161
Mar	92.00	–1.00	–	–	–	10
May	94.00	–1.00	–	–	–	3
Total					7	1,250

■ SOYABEANS CBT (5,000bu min; cents/60lb bushel)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	836.00	+8.00	842.00	821.00	68,749	81,080
Aug	790.00	+4.00	796.50	776.00	17,525	24,964
Sep	717.75	+5.00	721.50	711.00	4,566	9,794
Nov	663.75	+1.25	668.50	660.00	24,964	51,310
Jan	666.00	–	690.50	664.00	587	7,015
Mar	688.75	–0.75	693.00	687.00	54	1,565
Total					116,409	177,592

■ SOYABEAN OIL CBT (60,000lbs; cents/lb)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	23.47	+0.13	23.62	23.26	16,327	44,603
Aug	23.68	+0.18	23.82	23.43	6,357	16,194
Sep	23.87	+0.15	23.95	23.68	1,503	9,472
Oct	23.92	+0.12	24.05	23.75	880	8,745
Dec	24.18	+0.11	24.30	24.00	5,273	19,510
Jan	24.30	+0.08	24.44	24.23	91	1,372
Total					30,461	101,366

■ SOYABEAN MEAL CBT (100 tons; $/ton)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	278.2	+3.1	277.6	271.0	24,440	41,313
Aug	258.5	+1.5	258.2	253.0	9,198	18,006
Sep	241.5	+2.1	242.0	238.5	2,222	11,594
Oct	227.0	+0.2	229.0	226.0	1,740	11,069
Dec	220.4	+0.8	222.5	219.5	6,716	21,842
Jan	217.5	–0.5	219.5	217.0	449	2,565
Total					45,029	109,829

■ POTATOES LIFFE (20 tonnes; £ per tonne)

	Sett price	Day's change	High	Low	Vol	Open int
Nov	58.0	–	–	–	–	11
Mar	108.5	–	–	–	–	–
Apr	112.5	+1.5	112.5	110.0	28	841
May	129.0	–	–	–	–	–
Jun	135.0	–	–	–	–	–
Total					28	852

■ FREIGHT (BIFFEX) LIFFE ($10/index point)

	Sett price	Day's change	High	Low	Vol	Open int
Jan	1192	–2	1200	1190	12	416
Jul	1132	–3	1140	1132	80	1,230
Aug	1137	–3	1140	1137	67	269
Oct	1315	–10	–	–	–	588
Jan	1330	–5	–	–	–	57
Total					159	2,560

	Close	Prev
BFI	1252	1257

FUTURES DATA
All futures data supplied by CMS.

Wool

Australian sales were restricted to two centres and two days this week, but the market continued to rise; the main indicator reached 714 Australian cents, another new peak for the season, up 14 cents. There were good sales of stockpile wool, over 30,000 bales for the second week running; the minimum requirement for the September quarter was filled before the quarter started. Further sales are possible but Wool International, the disposing organisation, can now be firmer on selling prices. New Zealand was not a firm market, with the indicator down 6 cents to 430 NZ cents a kg, but British wool sold well at the season's last Bradford auction. Wool's upward price trend is being accepted as well established; there is growing satisfaction with the way deliveries are going out and with rates of activity.

SOFTS

■ COCOA LIFFE (10 tonnes; £/tonne)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	995	+1	995	981	3,837	25,972
Sep	1016	–	1016	1003	3,498	19,892
Dec	1016	–	1013	1008	825	29,428
Mar	1028	+1	1028	1021	1,056	32,136
May	1040	+1	1040	1035	313	16,112
Jul	1052	+1	1050	1048	40	5,280
Total					8,924	145,773

■ COCOA CSCE (10 tonnes; $/tonnes)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	1419	–1	1427	1408	7,200	21,455
Sep	1459	–2	1465	1448	4,770	19,819
Dec	1485	+3	1499	1485	798	19,789
Mar	1525	+4	1525	1515	260	21,309
May	1545	+8	–	–	15	8,570
Jul	1563	+9	–	–	36	575
Total					13,079	93,680

■ COCOA (ICCO) (SDR's/tonne)

Jun 4	Price	Prev. day
Daily	1119.44	1140.45

■ COFFEE LIFFE (5 tonnes; $/tonne)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	1905	–178	2075	1905	3,600	17,961
Sep	1930	–185	2105	1930	5,500	21,672
Nov	1945	–183	2110	1950	1,850	9,099
Jan	1935	–178	2092	1945	400	2,914
Mar	1920	–173	2070	2010	16	542
May	1920	–173	–	–	–	28
Total					11,366	52,210

■ COFFEE 'C' CSCE (37,500lbs; cents/lbs)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	230.50	–21.05	252.00	228.00	5,075	11,159
Sep	209.40	–15.70	224.50	208.75	2,209	6,140
Dec	181.00	–9.90	190.50	181.90	600	4,884
Mar	167.50	–8.60	173.50	167.00	331	2,227
May	162.00	–9.00	165.50	164.50	60	511
Jul	157.50	–9.00	–	–	–	151
Total					8,275	27,232

■ COFFEE (ICO) (US cents/pound)

Jun 4		Prev. day
Comp. daily	181.02	185.82
15 day average	190.53	190.27

■ WHITE SUGAR LIFFE (50 tonnes; $/tonne)

	Sett price	Day's change	High	Low	Vol	Open int
Aug	326.7	–1.7	328.0	325.7	1,315	15,284
Oct	317.3	–1.9	318.9	317.0	681	7,426
Dec	314.7	–1.0	316.1	314.8	296	2,646
Mar	314.6	–1.5	315.9	315.0	325	2,406
May	314.3	–1.3	314.5	314.0	5	722
Aug	312.6	–2.0	313.5	313.0	2	596
Total					2,624	29,602

■ SUGAR '11' CSCE (112,000lbs; cents/lbs)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	11.41	–0.10	11.46	11.33	18,734	79,884
Oct	11.21	–0.11	11.25	11.15	10,802	59,449
Mar	11.10	–0.11	11.14	11.00	3,107	29,953
May	11.00	–0.10	11.04	11.00	361	6,884
Jul	10.93	–0.09	10.96	10.92	56	3,162
Oct	10.85	–0.05	–	–	1	656
Total					33,066	180,777

■ COTTON NYCE (50,000lbs; cents/lbs)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	73.10	–0.02	73.40	73.05	3,984	32,352
Oct	74.88	+0.08	75.15	74.80	1,085	5,047
Dec	75.82	–0.03	75.90	75.57	2,438	26,886
Mar	76.75	–0.05	75.95	76.70	1,056	4,632
May	77.27	+0.03	77.35	77.30	17	1,129
Jul	77.57	+0.07	77.50	77.50	56	456
Total					8,640	72,830

■ ORANGE JUICE NYCE (15,000lbs; cents/lbs)

	Sett price	Day's change	High	Low	Vol	Open int
Jul	79.45	+0.20	80.75	78.95	1,421	15,781
Sep	81.65	+0.30	83.00	81.40	390	8,348
Nov	84.05	+0.05	85.80	84.00	77	3,788
Jan	86.55	+0.05	87.70	87.00	36	1,675
Mar	89.05	+0.05	90.50	90.00	31	1,218
May	81.55	+0.05	–	–	1	285
Total					1,955	31,122

VOLUME DATA
Open interest and Volume data shown for contracts traded on COMEX, NYMEX, CBT, NYCE, CME, CSCE and IPE Crude Oil are one day in arrears. Volume & Open interest totals are for all traded months.

INDICES

■ Reuters (Base: 18/9/31 = 100)

Jun 5	Jun 4	month ago	year ago
2000.8	2008.4	1966.3	2072.4

■ CRB Futures (Base: 1967 = 100)

Jun 4	Jun 3	month ago	year ago
247.00	248.44		

■ GSCI Spot (Base: 1970 = 100)

Jun 4	Jun 3	month ago	year ago
192.20	183.42	194.00	203.31

LME WAREHOUSE STOCKS (tonnes)

Aluminium	–3,450	to	726,900
Aluminium alloy	–100	to	81,880
Copper	+250	to	132,800
Lead	–75	to	117,725
Nickel	+96	to	52,332
Zinc	–375	to	422,975
Tin	–140	to	12,245

MEAT AND LIVESTOCK

■ LIVE CATTLE CME (40,000lbs; cents/lbs)

	Sett Price	Day's change	High	Low	Vol	Open int
Jun	63.775	–0.350	64.250	63.750	3,763	16,003
Aug	63.650	–0.475	64.200	63.600	5,945	46,906
Oct	67.125	–0.425	67.625	67.100	2,251	21,501
Dec	69.850	–0.275	70.175	69.800	1,400	10,813
Feb	70.850	–0.075	71.050	70.825	506	5,725
Apr	72.600	–0.100	72.750	72.600	85	2,249
Total					14,196	103,811

■ LEAN HOGS CME (40,000lbs; cents/lbs)

	Sett Price	Day's change	High	Low	Vol	Open int
Jun	81.025	–0.200	81.400	80.775	2,873	7,923
Jul	81.800	–0.575	82.700	81.350	5,582	10,733
Aug	79.400	–1.225	81.150	78.950	2,850	8,593
Oct	71.575	–1.575	73.400	71.150	1,017	6,189
Dec	68.200	–1.825	70.150	68.025	392	3,661
Feb	67.000	–1.600	68.500	66.750	99	1,493
Total					12,676	39,902

■ PORK BELLIES CME (40,000lbs; cents/lbs)

	Sett Price	Day's change	High	Low	Vol	Open int
Jul	87.250	–3.000	89.250	87.250	1,872	5,424
Aug	86.800	–3.000	89.200	86.800	535	1,919
Feb	76.150	–3.000	79.200	76.150	31	441
Mar	75.500	–3.000	76.000	75.500	1	12
Total					2,439	7,803

LONDON TRADED OPTIONS

Strike price $ tonne	— Calls —		— Puts —	
■ ALUMINIUM (99.7%) LME	Jul	Oct	Jul	Oct
1500	91	118	4	18
1600	23	58	36	55
1700	2	22	114	117
■ COPPER (Grade A) LME	Jul	Oct	Jul	Oct
2300	243	170	2	42
2400	153	110	11	80
2500	79	65	37	134
■ COFFEE LIFFE	Jul	Sep	Jul	Sep
1800	154	301	49	172
1850	124	280	69	200
1900	98	260	93	230
■ COCOA LIFFE	Jul	Sep	Jul	Sep
975	28	71	8	30
1000	14	56	19	40
1025	5	44	35	58
■ BRENT CRUDE IPE	Jul	Aug	Jul	Aug
1900	10	51	67	84
1950	2	38	-	115
2000	-	-	-	-

LONDON SPOT MARKETS

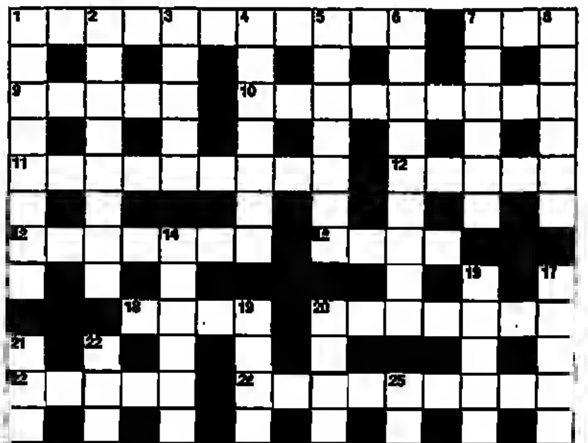
■ CRUDE OIL FOB (per barrel)		+or-
Dubai	$17.66-7.82	-0.40
Brent Blend (dated)	$17.93-7.95	-0.45
Brent Blend (Jul)	$18.43-8.45	-0.44
W.T.I.	$19.81-9.83z	-0.40
■ OIL PRODUCTS NWE prompt delivery CIF (tonne)		
Premium Gasoline	$211-213	-6
Gas Oil	$167-169	-2.5
Heavy Fuel Oil	$81-82	
Naphtha	$181-183	
Jet fuel	$182-184	-5
Diesel	$172-173	-2.5
■ NATURAL GAS (Pence/therm)		
Bacton (Jul)	10.10-10.25	-0.025
Petroleum Argus. Tel. London (0171) 359 8792		
IPE (Jul)	10.070	-0.110
■ OTHER		
Gold (per troy oz)♣	$342.95	+0.90
Silver (per troy oz)♣	482.00c	+7.00
Platinum (per troy oz.)	$442.00	+23.00
Palladium (per troy oz.)	$210.00	+2.00
Copper	121.0c	-2.0
Lead (US prod.)	45.00c	
Tin (Kuala Lumpur)	13.83r	-0.17
Tin (New York)	261.5	-3.0
Cattle (live weight)	90.65p	-1.00*
Sheep (live weight)	115.93p	-12.84*
Pigs (live weight)†	101.44p	-0.66*
Lon. day sugar (raw)	$282.30	+2.30
Lon. day sugar (wte)	$333.50	+0.40
Barley (Eng. feed)	Unq	
Maize (US No3 Yellow)	£109.00	
Wheat (US Dark North)	Unq	
Rubber (Jul)♥	72.50p	
Rubber (Aug)♥	72.50p	
Rubber (KL RSS No1)	285.5x	
Coconut Oil (Phil)§	645.0y	+5.0
Palm Oil (Malay.)§	545.0w	+5.0
Copra (Phil)§	$410.0y	
Soyabeans (US)	221.0	-2.0
Cotton Outlook'A' index	80.30c	-0.10
Wooltops (64s Super)	435p	+9

£ per tonne unless otherwise stated. p pence/kg. c cents/lb. r ringgit/kg. m Malaysian cents/kg. w Jun y May-Jun ♥ z Jul. London Physical. § CIF Rotterdam. ♣ Bullion market close. * Change on week. †Based on 1,678 head of pigs sold.

JOTTER PAD

CROSSWORD

No.9,394 Set by ADAMANT



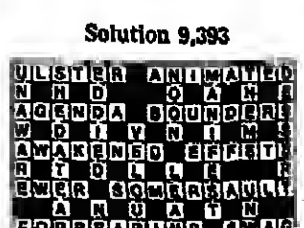
ACROSS

1 Of necessity including mother with new show (11)
7 Go one better than the international sportsman (3)
9 One who struggles to hold head of python or other snake (5)
10 Set off at 100 mph? The other way round, indeed (9)
11 Comes down to earth, having lied about the enormous victory (9)
12 A person of intelligence will support the side that's batting (5)
13 Emphatically someone who feels no movement (7)
15 Become part of the pack (4)
18 Cuts off the tail (4)
20 Retirement cover - that is another thing to put first (7)
23 The precinct is stifling (5)
24 To bring things to a 23 is a different matter in England (9)
26 Fevered state of nun, if zeal is shaky (9)
27 Have different opinions on a loveless rascal (5)
28 Beat some of the best antagonists (3)
29 Students concerned with Kentish farming saga (11)

DOWN

1 Softly playing a violin at the sports hall (8)
2 Was sorry to have taken a lease outside the European Parliament (8)
3 Poor Roger's run away from monstrous creatures (5)
4 Male triffid lost its head rearranging its diaphragm (7)
5 Spices girl - mad about her! (7)
6 For example, making a barren speech (9)
7 Bet on Tom to fall asleep (6)
8 First poem by Dante edited by fussy academic (8)
14 Run on former type of money order at the Treasury (9)
16 Choke left in? Very odd (8)
17 They judge those who provide testimonials (8)
19 Disease in its unstated detailed development (7)
20 The bliss of having transport in terrible rain (7)
21 The text says strip off, and catch cold (6)
22 Scientist gone into storage space (6)
25 Is Bill about to accept a son of Abraham? (5)

Solution 9,393



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FT MANAGED FUNDS SERVICE

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

OFFSHORE AND OVERSEAS

BERMUDA
(SIB RECOGNISED)

BERMUDA
(REGULATED)(**)

GUERNSEY
(SIB RECOGNISED)

GUERNSEY
(REGULATED)(**)

IRELAND
(SIB RECOGNISED)

IRELAND
(REGULATED)(**)

ISLE OF MAN
(SIB RECOGNISED)

ISLE OF MAN
(REGULATED)(**)

JERSEY
(SIB RECOGNISED)

JERSEY
(REGULATED)(**)

LUXEMBOURG
(SIB RECOGNISED)

Offshore Funds and Insurances

FT MANAGED FUNDS SERVICE

- FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

OFFSHORE INSURANCES

LUXEMBOURG (REGULATED)(**)

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FT MANAGED FUNDS SERVICE

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

[illegible]

OTHER OFFSHORE FUNDS

[illegible]

Global Asset Management - Contd.

Jardine Fleming Unit Trusts Ltd - Contd.

[illegible]

● MANAGED FUNDS NOTES

[illegible]

LONDON SHARE SERVICE

ALCOHOLIC BEVERAGES

BANKS, RETAIL

BREWERIES, PUBS & REST

BUILDING & CONSTRUCTION

BUILDING MATS. & MERCHANTS

CHEMICALS

CHEMICALS - Cont.

DISTRIBUTORS

DIVERSIFIED INDUSTRIALS

ELECTRICITY

ELECTRONIC & ELECTRICAL EQPT

ENGINEERING

ENGINEERING - Cont.

ENGINEERING - Cont.

	Notes	Price	+ or -	52 week high	low	Mkt Cap£m	Yld Gr's	P/E
Weir	♣	280½xd	-1½	273½	203½	584.6	4.0	14.4
Wellington	♣	230	—	275	220½	54.3	4.4	13.5
Wolmin	♣	23½	—	50	23¼	34.3	8.6	5.1
Wescol	♣	49	—	61½	34	15.3	2.8	16.3
Whatman	♣	391	—	683	405	157.5	2.6	18.0
Widney	♣	31½	—	43	30½	3.81	13.9	9.5

ENGINEERING, VEHICLES

EXTRACTIVE INDUSTRIES

EXTRACTIVE INDUSTRIES - Cont.

FOOD PRODUCERS

GAS DISTRIBUTION

	Notes	Price	+ or -	52 week high	low	Mkt Cap£m	Yld Gr's	P/E
BG	♣W	217xd	-3½	221½	134	9,626	8.4	21.3
Centrica		55¼	—	77½	55	2,383	-	-
International Energy	♣	90xd	+1	100	84½	56.3	5.7	12.1

HEALTH CARE

	Notes	Price	+ or -	52 week high	low	Mkt Cap£m	Yld Gr's	P/E
Amersham	♣	1390	-5	1447½	940	786.5	1.8	22.3
Assoc Nursing	♣	120	—	156	118	19.8	3.5	11.1
Bard Intl $		£27⅞	—	£30⅞	£26⅜	7,697	2.5	-
Bespak	♣	600	—	627½	330	151.8	2.4	8.9
Biocompatibles Int'l	♣	1307½	—	1432½	358½	958.4	-	-
Biocure		27½	—	34½	8½	18.3	-	-
Biotrace Intl	♣	86½	—	116	38	28.6	-	ϕ
Care First		119	-1	135½	104	190.8	3.6	-
Care UK	♣	118xd	—	138½	98	54.2	1.1	15.9
Celsis Intl		97½	-2	125¼	87½	91.8	-	ϕ
Community Hosps	♣	373½	—	380½	290	127.0	3.5	15.7
CrestaCare	♣	27½	—	31½	24	82.7	4.3	13.7
Drew Scientific	♣	135	+2½	202½	19½	34.8	-	-
Enviromed		15	—	32½	13½	4.34	-	-
Eyecare Products	♣	13	+½	40	9½	11.8	5.5	22.2
Ferraris	♣	120	-2½	167½	90	13.6	3.1	11.7
Goldsborough Hlth	♣	128	—	178	117½	55.2	4.3	12.9
Healthcall	♣	74	—	144	67½	41.2	8.4	11.8
Huntleigh Tech		171xd	+1	214¼	155	84.0	2.1	18.9
Innovative Techs	♣	283½	+2½	380	130½	83.0	-	-
Intercare		78½	+½	88	55	22.8	5.5	14.8
Isotron	♣	380	—	380	285	45.4	2.1	10.3
Kynoch	♣	24	—	30½	21½	4.73	-	11.8
Life Sciences		133½	-½	137½	88	233.2	4.4	ϕ
London Intl	♣	170	-1½	182	145½	395.5	2.1	23.7
Nestor-BNA	♣	137½	-3	147½	93	105.2	3.2	19.9
Polartechnics A$		181½	+½	158½	86½	25.1	-	-
Premier Health		18½	+½	39	32	1.59	-	-
6pc Cv Ln 2000		247½xd	—	412½	75	9.91	2.4	-
Quality Care Homes	♣	325	—	340	268	44.5	2.1	9.7
Scholl	♣	296½	-1½	319½	241	208.1	3.2	-
Seton Health	♣	452½	-1½	527½	430½	231.6	2.4	ϕ
Shield Diagnostics	♣	670	+72½	919	103½	174.0	-	-
Smith & Neph	♣	173½xd	-¼	237¼	167¼	1,921	4.3	16.2
[illegible]		31¼	+¼	[illegible]	25	17.3	2.6	15.9
Tepnel Life Scs		77½	-1	128½	33½	37.8	-	-
UniChem	♣	268½xd	-½	271½	243	472.2	4.1	21.9
United Drug IE		345	—	355	304½	71.0	3.4	ϕ
Westminster H'care	♣	238½	—	337	225½	152.9	3.3	14.1

HOUSEHOLD GOODS

INSURANCE

INSURANCE - Cont.

INVESTMENT TRUSTS

INVESTMENT TRUSTS - Cont.

Net asset values supplied by NatWest Securities Limited as a guide only. See guide to London Share Service

INV TRUSTS SPLIT CAPITAL

Approved by the Inland Revenue

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INV TRUSTS SPLIT CAPITAL - Cont.

OTHER INVESTMENT TRUSTS

The following investment trusts are not eligible for inclusion in the FTSE Actuaries Share Indices.

Approved by the Inland Revenue

Net asset values supplied by NatWest Securities Limited as a guide only. See guide to London Share Service

INVESTMENT COMPANIES

Net asset values supplied by NatWest Securities Limited as a guide only. See guide to London Share Service

LEISURE & HOTELS

LIFE ASSURANCE

MEDIA

MEDIA - Cont.

OIL EXPLORATION & PRODUCTION

OIL, INTEGRATED

OTHER FINANCIAL

PAPER, PACKAGING & PRINTING

PHARMACEUTICALS

PHARMACEUTICALS - Cont.

PROPERTY

PROPERTY - Cont.

RETAILERS, FOOD

RETAILERS, GENERAL

RETAILERS, GENERAL - Cont.

SUPPORT SERVICES

SUPPORT SERVICES - Cont.

TELECOMMUNICATIONS

TEXTILES & APPAREL

TEXTILES & APPAREL - Cont.

TOBACCO

	Notes	Price	+ or -	52 week high	52 week low	Mkt Cap£m	Yld Gr's	P/E
BAT Inds	[illegible]	[illegible]	+1	523	411	[illegible]	6.0	11.5
12½pc Ln '03/08		[illegible]	+1	[illegible]	[illegible]	[illegible]	10.9	–
Imperial Tobacco	[illegible]	[illegible]	+4½	[illegible]	352	[illegible]	8.5	7.7

TRANSPORT

WATER

AIM

AIM - Cont.

The Alternative Investment Market, designed primarily for small companies, is regulated by the London Stock Exchange but has less demanding rules than the SE Official List.

AMERICANS

CANADIANS

SOUTH AFRICANS

	Notes	Price	+ or -	52 week high	52 week low	Mkt Cap£m	Yld Gr's	P/E
Anglo Am Ind R		[illegible]	–	[illegible]	220¼	[illegible]	3.0	[illegible]
Barlow	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2.2	[illegible]
Gold Flds Prop R	†	[illegible]	[illegible]	[illegible]	120	[illegible]	5.2	12.9
SA Brews		[illegible]	[illegible]	[illegible]	£13¼	5,287	2.3	[illegible]
Standard Bank		[illegible]	[illegible]	[illegible]	621	[illegible]	1.2	[illegible]
Tiger Oats	†	1058	–	[illegible]	770	[illegible]	1.4	[illegible]
Tongaat-Hulett		[illegible]	+2¼	842	678¼	736.7	2.6	[illegible]

GUIDE TO LONDON SHARE SERVICE

Prices for the London Share Service are delivered by Extel, part of Financial Times Information.

Company classifications are based on those used for the FTSE Actuaries Share Indices.

Closing mid-prices are shown in pence unless otherwise stated. Highs and lows are based on intra-day mid-prices over a rolling 52 week period.

Where stocks are denominated in currencies other than sterling, this is indicated after the name. Prices shown for some of these foreign securities are converted into sterling from latest available local Stock Exchange prices.

Symbols referring to dividend status appear in the notes column daily as a guide to yields and P/E ratios. Dividends and Dividend covers are published on Monday.

Market capitalisation shown is calculated separately for each line of stock quoted.

Earnings used in calculations are based on IIMR "Headline Earnings" formula.

Price/earnings ratios are based on latest annual reports and accounts and, where possible, are updated on interim figures.

Yields are based on mid-prices, are gross, adjusted for a dividend tax credit of 20 per cent and allow for value of declared distribution and rights.

Estimated Net Asset Values (NAVs) are shown for Investment Trusts, in pence per share, along with the percentage discounts (Dis) or premiums (Pm -) to the current closing share price. The NAV basis assumes prior charges at par value, convertibles converted and warrants exercised if dilution occurs.

- * Highs and lows marked thus have been adjusted to allow for capital changes
- † Interim since increased or resumed
- ‡ Interim since reduced, passed or deferred
- ♦ Figures or report awaited
- ♥ Rule 2.1(a)(iv) Overseas incorporated companies listed on an approved exchange.
- ♣ Free annual/interim report available, see details below.
- ‡‡ Rule 4.2(a) Irish incorporated non-listed companies.
- § Price at time of suspension
- ¶ Indicated dividend yield after pending scrip and/or rights issue
- ♦ Merger bid or reorganisation in progress
- § Forecast dividend yield; p/e based on earnings updated by latest interim statement.
- ♠ Unregulated collective investment scheme.

a Yield based on annualised dividend
b Figures based on prospectus or other official estimates.
c Assumed dividend yield after rights issue.
d Assumed dividend yield after scrip issue.
e Rights issue pending
g Earnings based on preliminary figures.
h Dividend yield excludes a special payment.
i Indicated dividend yield, p/e ratio based on latest annual earnings.
k Forecast, or estimated annualised dividend yield, p/e based on previous year's earnings
z Dividend yield includes a special payment

F Yield based on prospectus or other official estimates for 1996-97.
G Assumed yield after pending scrip and/or rights issue.
H Yield based on prospectus or other official estimates for 1997.
K Yield based on prospectus or other official estimates for 1996
L Estimated annualised yield, p/e based on latest annual earnings.
M Yield based on prospectus or other official estimates for 1997-98.
N Dividend is paid in whole or part as a

FD (Foreign income Dividend)
R Forecast annualised yield, p/e based on prospectus or other official estimates.
W Pro forma figures.
Z Dividend yield to date.

Abbreviations:
xd ex dividend;
xc ex scrip issue;
xr ex rights;
xa ex all;
xc ex capital distribution.

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LONDON STOCK EXCHANGE

Bid hints trigger return of confidence in shares

MARKET REPORT

By Steve Thompson,
UK Stock Market Editor

Sentiment in UK stocks, which has been severely dented in recent sessions, improved sharply yesterday, leaders clawing their way back into positive territory after an early bout of weakness and finishing the session in good heart.

However, second line and smaller shares were out of favour, drifting lower in fairly light trading.

The recovery in blue chip stocks came after the Confederation of British Industry's May survey of distributive trades, and news of higher-than-expected weekly US jobless claims.

The latter was interpreted as a good indicator of the US non-farm payroll report for May, expected today. The report is one of the crucial economic figures scrutinised by the Federal Reserve's Open Market Committee during its monetary policy deliberations.

The FOMC next meets on July 2. Treasury bonds, easier overnight, held relatively steady on the jobless news, while the Dow Jones Industrial Average was up around 20 points in early New York trading and 66 points higher after London closed.

The CBI survey indicated a slowing in high street sales during the month, news that was well received by a stock market worried that the newly installed monetary policy committee's first meeting would produce an interest rate rise.

Dealers insisted, however, that there remained a possibility that rates would be lifted, although some said the committee might prefer to wait for details of the new chancellor's first Budget, scheduled for July 2, before recommending an increase.

Along with the interest rate worries, growing nervousness about the content of the first Labour Budget had driven leading stocks on London's equity market sharply lower over the previous six sessions.

There was also a story that some of London's weakness had been caused by an overseas seller of over £200m worth of UK stocks. The FTSE 100 index built quickly on its recovery, eventually closing the session 19.1 higher at 4,576.2.

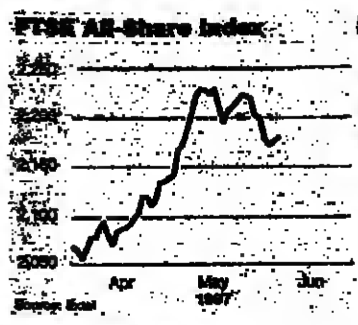
The FTSE 250 finished 1.9 easier at 4,465.9, while the SmallCap slipped 0.5 to 2,277.2. Turnover at 6pm reached 856.6m shares.

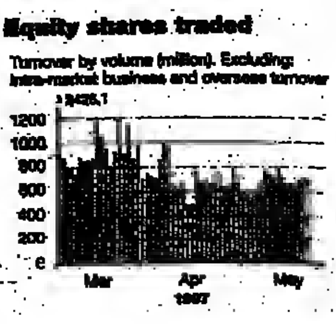
The market's rally was also accompanied by a sudden uptick in the banking sector, which responded to a revival of the recent merger talk.

The rumours settled once again on Abbey National, where it was said that talks with NatWest Bank had been resurrected. Another story was that Prudential Group was seeking a merger partner, preferably Abbey. An old rumour of an HSBC move against Royal Bank of Scotland saw the latter keenly sought.

Sceptics pointed out, however, that the market's burst of takeover enthusiasm had coincided with the cascade of Australian wickets in the Test match against England at Edgbaston.

Lasmo was the best Footsie performer, after news of its big acquisition in Venezuela.





Indices and ratios

FTSE 100	4576.2	+19.1	FT 30	2952.3	+6.0
FTSE 250	4465.9	-1.9	FTSE Non-Fins p/e	18.50	18.50
FTSE 350	2220.3	+7.3	FTSE 100 Fut Jun	4573.0	+23.0
FTSE All-Share	2181.08	+6.61	10 yr Gilt yield	7.17	7.17
FTSE All-Share yield	3.56	3.57	Long gilt/equity yld ratio	2.02	2.01

Best performing sectors

1	Life Assurance	+2.5
2	Telecommunications	+1.7
3	Oil Exploration & Prod	+1.5
4	Retailers: Food	+1.0
5	Transport	+1.0

Worst performing sectors

1	Gas Distribution	-1.2
2	Paper: Pkg & Printing	-0.9
3	Extractive Industries	-0.8
4	Diversified Industrials	-0.8
5	Household Goods	-0.7

Oil deal boosts Lasmo

By Joel Kibazo, Martin Brice and Steve Thompson

Oil explorer Lasmo raced higher in late trading after the company confirmed reports it had won a hotly contested bid to develop the Dacion oil field in Venezuela.

Lasmo said it had paid $453m to win the bid and that it expected to invest a further $750m in the 20-year operating contract, which would lift oil output from 12,500 barrels per day to 90,000 bpd within three to four years.

Shares in the group moved briskly ahead on the news and by the close had gained 11 to 259p, making it the best performer in the FTSE 100. Volume of 8.7m placed it just outside the list of the 10 most actively traded stocks of the session.

Leading brokers welcomed the deal; one said: "This is a deal that stops Lasmo being dominated by its Algerian success. It is in a much sought after area that will enable Lasmo to add to reserves at a low cost."

In the rest of the sector, Premier Oil hardened to 44½p. Lehman Brothers favours the shares and has an "outperform" rating on the stock. The oil team at the US investment bank believes "recent drilling success in Indonesia is clearly not factored into the price yet". It added: "Another area to watch is Pakistan, where Premier is currently working on a well in the Petro area adjacent to the Indian border."

An initial slide in some of the banking stocks, notably Abbey National, was reversed in mid-morning as a round of takeover speculation returned to the market.

Abbey quickly stabilised and then raced ahead to close 16½ higher at 843½p. The talk in the market suggested that merger talks with NatWest Bank, widely reported in recent weeks, had resumed. NatWest stock added 9½ at 737p. Adding fuel to the fire in Abbey shares was another suggestion that Prudential Group was considering a merger approach for Abbey.

Other traders said the strength in Prudential shares stemmed from the recent surge in Norwich Union shares on the unofficial "grey market". City Index, the financial, political and sports spread betting bookmakers, said Norwich shares had closed at 333p-343p yesterday. IG Index quoted Norwich at 336p-344p. Legal & General, viewed as a perfect proxy for Norwich Union, ran up 8½ to 448½p.

Royal Bank of Scotland was driven higher, also in the wake of the usual takeover chatter, which once again was linked with HSBC. RBoS shares finished 11 higher at 601p. Turnover was a hefty 4.9m shares.

Halifax, on the other hand, remained in the doldrums, the shares easing 3½ to 729½p on turnover of 8.2m; the institutions remain firmly on the sidelines for the time being.

Hopes on the Eurofighter and a clutch of brokers' recommendations powered British Aerospace. The shares gained 21 to £12.73½ with 1.4m having been dealt by the close.

Reports suggesting that the German government may after all find the money to put into the Eurofighter aircraft, in which BAe is a leading supplier, helped boost the stock.

Sentiment was further enhanced by a recommendation from NatWest Securities, published in the form of a weighty research document.

The team at NatWest believes consolidation in the European defence sector will offer the greatest value for BAe shareholders. But they added: "In the event that consolidation does not occur, we calculate the enterprise value of the defence division alone is at least £5.2bn, which compares with a total enterprise value of £4.6bn for BAe. This suggests that even under the most pessimistic scenario, the current share price is undervaluing BAe Defence."

Dresdner Kleinwort Benson were also said to have urged investors to buy the shares.

Strong results from Railtrack helped the shares rise 12½ to 658p in volume of 7.3m as the market shrugged off comments that the rail regulator might impose tougher demands on the company.

Analysts dismissed comments from Mr John Swift, the rail regulator, who said Railtrack had a "long way to go" on investment commitments and that he would review its performance.

Railtrack said it was ahead of the investment programme set by the regulator.

The effect of a windfall tax would seem to be included in Railtrack's share price, with one analyst saying yesterday: "I don't see how they could possibly be out of the windfall tax."

Boots was the focus of attention by analysts as they adjusted forecasts for the effect of higher interest charges stemming from the 44.2p a share special dividend announced yesterday.

ABN-Amro Hoare Govett downgraded pre-tax profits forecasts from £591m to £565m for the year to next March and put the effect of the £440m payment at £26m a year.

NatWest Securities maintained its "add" stance while adjusting its forecast from £604m to £580m to take account of the higher interest charges. Mr John Richards at the broker said: "The clear message is that Boots is doing what other retailers are not doing, and that is providing a degree of consistency."

Boots shares closed at 692p, up nearly 42p ex the special dividend of 44.2p announced yesterday, in chunky volume of 7.4m.

Headlam Group became the latest company to move the date of dividend payment forward to beat the coming Budget. It brought forward the date of its final 4.35p payment six days to July 1, the day before Mr Gordon Brown presents his first Budget. Headlam rose 6 to 307½p.

British Airways benefited from news that its link-up with American Airlines was a step closer after AA seemed willing to compromise on the issue of take-off and landing slots at Heathrow airport. BA was the third biggest riser in the Footsie, up 20 to 715½p in volume of 2.9m.

Mr Richard Hannah at UBS said: "We are hopeful that BA seems to be getting closer to some sort of deal with the US authorities."

Troubled Pilkington saw the second biggest number of trades in the FTSE 250 as it fell 7 to 117p in volume of 18m after it said its final results were "disappointing".

Among analysts who have adjusted their estimates, Mr Michael Betts at Goldman Sachs retained his "buy" recommendation to investors, despite reducing his forecasts. He sliced his estimate for pre-tax profits for the year to next March from £160m to £145m.

FT 30 INDEX

	Jun 5	Jun 4	Jun 3	Jun 2	May 30	Yr ago	*High	*Low
FT 30	2952.3	2948.3	2945.9	2942.7	2971.5	2789.3	3018.8	2668.8
Ord. div. yield	3.72	3.72	3.72	3.72	3.68	3.96	4.22	3.62
P/E ratio net	17.85	17.80	17.83	17.85	18.03	18.23	18.33	15.80
P/E ratio nil	17.67	17.62	17.65	17.67	17.84	18.02	18.14	15.71

FT 30 since compilation: high 3018.8 13/05/97; low 49.4 26/06/40. Base Date: 1/7/35.

FT 30 hourly changes

Open	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	High	Low
2938.0	2931.0	2933.1	2938.4	2940.1	2941.8	2949.4	2948.7	2951.8	2953.4	2927.8

	Jun 5	Jun 4	Jun 3	Jun 2	May 30	Yr ago
SEAQ bargains	41,277	45,738	48,983	60,715	42,587	33,724
Equity turnover (£m)†	-	NA	NA	NA	NA	1892.1
Equity bargains†	-	NA	NA	NA	NA	39,944
Shares traded (mil)†	-	NA	NA	NA	NA	706.7

†Excluding intra-market and overseas turnover but including Crest turnover.
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London market data

Rises and falls*		52 Week highs and lows		LIFFE Equity options	
Total Rises	518	Total Highs	52	Total contracts	49,188
Total Falls	800	Total Lows	66	Calls	23,165
Same	1,756			Puts	26,023

Jun 5 *Data based on Equity shares listed on the London Share Service.

FUTURES AND OPTIONS

FTSE 100 INDEX FUTURES (LIFFE) £25 per full index point (APT)

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	4542.0	4576.0	+24.0	4583.5	4530.0	17136	68005
Sep	4573.5	4607.5	+23.5	4613.0	4570.0	2677	13851
Dec	4656.0	4657.0	+24.0	4656.0	4656.0	10	773

FTSE 250 INDEX FUTURES (LIFFE) £10 per full index point

	Open	Sett price	Change	High	Low	Est. vol	Open int.
Jun	4455.0	4455.0	-11.0	4455.0	4455.0	913	5283
Sep	4507.0	4507.0	-11.0	4507.0	4507.0	1339	960

FTSE 100 INDEX OPTION (LIFFE) (*4576) £10 per full index point

	4400		4450		4500		4550		4600		4650		4700		4750	
	C	P	C	P	C	P	C	P	C	P	C	P	C	P	C	P
Jun	190	9½	146½	16	106½	26½	79½	42½	43	66½	23½	100	11½	139½	5	184½
Jul	232½	35½	194	47½	158	60	124½	80	94	101	78	129½	48½	160	34	197
Aug	246	57½	208	69½	174	85½	143	104	113½	124½	90½	153	69½	161	53½	216
Sep	277½	70	249½	82	207½	100	174½	119½	143	141½	126	169½	97	197	77	228½
Dec†	331	102			268	135			219½	172½			170½	227		

Calls 7,237 Puts 1,743

EURO STYLE FTSE 100 INDEX OPTION (LIFFE) £10 per full index point

	4425		4475		4525		4575		4625		4675		4725		4775	
Jun	183	12½	121	20½	83½	33	54	53	31	80	16½	115	8½	156½	3½	202
Jul	208	41	178½	53	136½	69½	106	87½	79	110	57½	138	39½	170	28½	206½
Aug	228	62	191	76½	158½	93½	129½	113½	103	136½	80	163	60½	193	44½	226
Sep	256½	77½			186½	108½			133½	150½			88½	204		
Dec†	331½	107			209	138½			208	177½			157½	223½		

Calls 10,042 Puts 17,141 * Underlying index value. Premiums shown are based on settlement prices.
† Long dated expiry months.

LONDON RECENT ISSUES: EQUITIES

Issue price p	Amt paid up	Mkt. cap (£m.)	1997 High	Low	Stock	Close price p	+/-	Net div.	Div. cov.	Grs yld	P/E net
*	F.P.	3,507	655	532½	Alliance & Leic	602½	+4	L16.3	2.5	3.4	14.8
§	F.P.	94.5	1200	820	Aston Villa	825		R6.8	1.8	1.3	45.3
	F.P.	3,824	308½	258½	Cable & Wireless	263½	+3	-	-	-	-
	F.P.	-	102	87½	Caradon 6	99½		-	-	-	-
100	F.P.	25.0	100	100	Downing HI VCT	100		-	-	-	-
§40	F.P.	3.41	42½	30	†Eagles	35		-	-	-	-
*	F.P.	1,901	312½	270½	Gallaher	275½	-2	19.25	1.4	8.7	10.5
*	F.P.	18,310	776	714	Halifax	729½	-3½	14.84	2.1	2.5	21.8
§140	F.P.	11.1	147½	98½	Heart of Midlthn	109½	+2	-	-	-	-
§	F.P.	7.07	164½	157½	†ITG	157½	-2	-	-	-	-
100	F.P.	3.75	125	102½	†Integrated As Mg	125	+14½	-	-	-	-
§110	F.P.	5.17	130½	122½	†Lady in Leisure	124½		-	-	-	-
§	F.P.	3.69	119½	112½	Longbridge Intl	117½		-	-	-	15.4
50	F.P.	19.0	54½	47½	†NMT	48½		-	-	-	-
§16	F.P.	5.14	14¼	11½	†Newmark Tech	12¼		-	-	-	-
100	F.P.	8.00	100	100	Penine AIM VCT	100		-	-	-	-
	F.P.	19.1	70½	38½	†Petra Diamonds	65½		-	-	-	-
	F.P.	0.83	49½	13½	†Do Warrants	49½		-	-	-	-
143	F.P.	21.8	155½	150	Qualceram	155½		Q23%	-	1.5	-
§100	F.P.	8.29	117½	112½	†SBS Group	117½		L2.4	2.0	2.6	20.7
§100	F.P.	10.4	108½	102½	†Soccer Investment	104½	-1	-	-	-	-
	F.P.	116.7	262½	234½	†Soco Intl	236½		-	-	-	-
§100	F.P.	22.3	111½	107	Topps Tiles	111½		-	-	-	11.7
§3	F.P.	5.04	4	3½	Versailles Group	3½		-	-	-	-

† Alternative Investment Market. § Placing price. * Introduction. For a full explanation of all other symbols please refer to The London Share Service notes.

FTSE GOLD MINES INDEX

	Jun 4	% chg on day	Jun 3	Year ago	Gross div yield %	P/E ratio	52 week High	Low
Gold Mines Index (31)	1500.60	-1.6	1525.48	2319.31	2.26	-	2319.31	1488.80
Regional Indices								
Africa (14)	1687.51	-1.0	1714.53	3107.93	5.23	26.98	3107.93	1687.51
Australasia (6)	1743.20	-0.7	1755.32	2828.68	2.98	19.53	2828.68	1739.12
North America (11)	1420.43	-2.0	1449.70	2052.03	1.01	58.49	2052.03	1335.84

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FTSE Actuaries Share Indices — The UK Series

Produced in conjunction with the Faculty and Institute of Actuaries

	Jun 5	Day's chge%	Jun 4	Jun 3	Jun 2	Year ago	Div. yield%	Net cover	P/E ratio	Xd adj. ytd	Total Return
FTSE 100	4576.2	+0.4	4557.1	4557.8	4562.6	3760.3	3.59	2.04	17.06	84.67	1951.69
FTSE 250	4465.9	—	4467.8	4462.0	4481.8	4480.6	3.65	1.58	21.70	73.00	1860.13
FTSE 250 ex IT	4473.0	—	4474.3	4469.3	4491.0	4523.0	3.80	1.81	20.48	74.40	1867.80
FTSE 350	2220.3	+0.3	2213.0	2212.7	2218.8	1902.4	3.60	1.95	17.80	40.14	1933.34
FTSE 350 ex IT	2218.3	+0.3	2211.7	2211.6	2215.6	-	3.63	1.96	17.55	7.77	990.88
FTSE 350 Higher Yield	2159.3	+0.3	2152.5	2154.2	2156.6	1881.7	4.62	1.63	14.80	47.22	1592.71
FTSE 350 Lower Yield	2288.7	+0.3	2279.0	2276.5	2281.8	1980.4	2.55	2.16	22.50	32.47	1629.86
FTSE SmallCap	2277.24	—	2277.75	2281.01	2291.35	2244.36	3.09	1.71	23.66	32.40	1929.52
FTSE SmallCap ex IT	2262.96	—	2262.90	2267.73	2279.52	2245.53	3.32	1.79	21.01	34.36	1933.02
FTSE All-Share	2181.08	+0.3	2174.47	2174.41	2178.68	1888.66	3.56	1.94	18.16	36.80	1927.30
FTSE All-Share ex IT	2179.44	+0.3	2172.42	2172.63	2177.00	-	3.61	1.95	17.73	7.50	990.38

FTSE Actuaries Industry Sectors

	Jun 5	Day's chge%	Jun 4	Jun 3	Jun 2	Year ago	Div. yield%	Net cover	P/E ratio	Xd adj. ytd	Total Return
10 MINERAL EXTRACTION(20)	4358.28	—	4360.14	4365.20	4350.16	3485.86	3.50	2.01	17.73	86.08	1951.22
12 Extractive Industries(5)	4288.86	-0.8	4323.55	4326.52	4360.44	4329.25	3.67	2.38	14.27	104.80	1610.36
15 Oil, Integrated(3)	4500.03	-0.1	4504.67	4517.39	4494.66	3509.27	3.71	1.95	17.30	90.91	2071.37
16 Oil Exploration & Prod(12)	3714.86	+1.5	3658.68	3613.95	3598.86	2465.15	1.56	2.22	36.27	37.61	2275.64
20 GEN INDUSTRIALS(266)	1892.58	-0.1	1894.93	1896.84	1910.48	2083.83	4.24	1.91	15.47	34.88	1077.59
21 Building & Construction(35)	1370.02	-0.2	1373.22	1372.90	1382.83	1203.67	6.17	1.88	21.61	24.39	1191.12
22 Building Matls & Merchs(30)	1823.89	-0.3	1829.49	1826.28	1837.04	1932.40	4.40	2.77	10.28	34.97	960.34
23 Chemicals(26)	2400.21	+0.1	2397.09	2381.61	2380.63	2522.09	4.39	1.48	19.27	57.49	1194.25
24 Diversified Industrials(16)	1298.66	-0.8	1309.09	1313.51	1320.89	1673.49	5.61	1.98	11.19	36.57	789.41
25 Electronic & Elect Equip(36)	1985.79	-0.3	1991.46	2004.01	2023.71	2471.95	3.97	1.54	20.52	14.36	1061.66
26 Engineering(69)	2495.85	+0.5	2482.29	2476.41	2494.78	2433.32	3.42	2.48	14.76	33.50	1564.46
27 Engineering, Vehicles(13)	2735.38	-0.5	2748.93	2766.83	2796.08	3142.35	4.07	‡	‡	54.73	1473.24
28 Paper, Pckg & Printing(27)	2068.14	-0.9	2086.70	2120.86	2161.82	2651.71	5.06	1.84	13.42	42.48	897.16
29 Textiles & Apparel(14)	1040.11	+0.1	1038.82	1043.18	1030.44	1409.20	6.72	6.97	19.25	36.36	681.03
30 CONSUMER GOODS(84)	4385.16	+0.1	4382.39	4418.74	4439.67	3531.79	3.46	1.81	19.93	86.01	1686.68
32 Alcoholic Beverages(7)	3193.31	-0.4	3207.31	3245.52	3209.24	2777.44	4.15	1.88	16.04	76.56	1214.20
33 Food Producers(25)	2856.37	+0.1	2852.32	2864.83	2868.03	2461.74	3.87	1.85	17.47	59.71	1349.71
34 Household Goods(17)	2852.49	-0.7	2871.85	2870.78	2868.29	2693.17	3.64	2.32	14.83	57.04	1174.01
36 Health Care(15)	2196.10	-0.4	2204.86	2210.21	2217.27	2106.62	2.75	1.65	27.60	32.09	1378.74
37 Pharmaceuticals(16)	7056.23	+0.2	7041.41	7092.04	7132.81	5038.17	2.62	1.71	27.87	104.77	2477.08
38 Tobacco(2)	4457.89	+0.3	4444.94	4441.80	4478.72	4354.03	6.07	1.67	10.99	156.73	1189.57
40 SERVICES(271)	2656.85	+0.5	2643.05	2646.77	2650.56	2550.00	2.89	1.98	21.18	42.86	1431.66
41 Distributors(30)	2693.60	+0.1	2688.85	2678.71	2703.08	2961.17	3.41	1.94	18.88	41.20	1028.28
42 Leisure & Hotels(31)	3418.11	+0.2	3413.42	3414.42	3411.68	3182.16	2.68	1.78	26.16	61.67	1893.71
43 Media(44)	4298.04	+0.4	4281.12	4280.93	4278.52	4202.52	2.31	1.92	28.23	56.41	1595.20
44 Retailers, Food(15)	2073.10	+1.0	2052.55	2057.47	2069.33	2069.81	3.84	2.21	14.34	51.26	1383.71
45 Retailers, General(53)	2063.76	+0.8	2047.52	2049.25	2057.34	2113.72	3.40	2.07	17.78	38.96	1226.40
47 Breweries, Pubs & Rest.(22)	3209.51	+0.3	3200.41	3238.06	3234.20	3200.78	3.48	2.16	16.41	51.52	1599.66
48 Support Services(54)	3042.44	-0.2	3047.33	3043.45	3064.84	2454.21	1.70	2.89	27.41	22.18	1979.13
49 Transport(22)	2837.74	+1.0	2810.30	2813.01	2796.70	2381.40	3.49	1.35	26.58	43.97	1232.25
60 UTILITIES(31)	2830.92	+0.6	2812.66	2791.98	2783.06	2411.00	4.94	1.49	16.95	33.50	1299.67
62 Electricity(9)	3007.63	+0.1	3004.66	3000.63	3025.94	2644.98	5.88	2.03	10.49	68.49	1696.80
64 Gas Distribution(2)	1909.34	-1.2	1932.90	1907.66	1820.16	1283.29	6.39	‡	‡	68.13	1090.56
66 Telecommunications(8)	2316.89	+1.7	2279.22	2247.86	2251.15	2046.79	3.82	1.69	19.34	9.54	1098.36
68 Water(12)	2603.36	-0.3	2611.72	2635.21	2622.84	2217.94	6.04	2.25	8.21	0.00	1505.70
69 NON-FINANCIALS(674)	2201.07	+0.2	2195.93	2198.57	2202.92	2010.98	3.67	1.84	18.50	37.81	1745.87
70 FINANCIALS(106)	4246.75	+0.8	4219.93	4203.87	4212.81	2907.75	3.40	2.38	15.49	88.97	1617.22
71 Banks, Retail(8)	6403.76	+0.5	6372.60	6321.75	6358.27	3977.98	3.14	2.65	15.02	129.00	2191.89
73 Insurance(18)	1699.30	+0.4	1692.74	1704.17	1692.38	1510.32	5.16	2.53	6.70	54.89	1358.44
74 Life Assurance(7)	4926.42	+2.5	4806.85	4807.06	4729.58	3478.74	3.57	1.98	17.84	121.00	2151.87
77 Other Financial(23)	3178.83	+0.3	3171.61	3181.03	3197.79	2698.33	3.39	1.89	19.53	54.26	1890.63
79 Property(44)	2034.35	-0.2	2030.85	2037.32	2046.77	1526.75	3.16	1.26	30.84	27.22	1303.90
80 INVESTMENT TRUSTS(127)	3402.53	-0.2	3410.99	3399.28	3401.22	3203.92	2.20	1.13	50.44	36.61	1216.22
89 FTSE All-Share(907)	2181.08	+0.3	2174.47	2174.41	2178.68	1888.69	3.56	1.94	18.13	38.80	1927.30
105 FTSE All-Share ex IT(780)	2179.44	+0.3	2172.42	2172.63	2177.00	-	3.61	1.95	17.73	7.50	990.38
FTSE Fledgling	1280.65	+0.1	1279.48	1279.63	1281.96	1279.05	3.07	0.80	51.00	19.15	1382.73
FTSE Fledgling ex IT	1290.71	+0.1	1289.15	1290.00	1292.63	1295.22	3.40	0.77	47.50	18.61	1394.90
FTSE AIM	1070.0	-0.1	1071.1	1072.3	1073.2	-	1.03	0.94	80.00†	0.79	877.96

Hourly movements

	Open	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.10	High/day	Low/day
FTSE 100	4551.3	4541.3	4544.8	4546.3	4553.3	4557.0	4567.3	4567.8	4576.8	4576.3	4534.8
FTSE 250	4464.8	4460.0	4460.8	4460.1	4458.6	4458.5	4458.5	4460.7	4465.5	4465.6	4458.4
FTSE 350	2210.4	2206.1	2207.5	2208.0	2210.6	2212.1	2216.1	2216.5	2220.1	2220.3	2203.7
FTSE SmallCap	2276.30	2276.13	2277.26	2277.04	2276.95	2276.79	2276.79	2277.07	2277.13	2277.29	2276.00
FTSE All-Share	2172.02	2168.04	2169.44	2169.88	2172.25	2173.53	2177.19	2177.58	2180.87	2181.08	2165.61

Time of FTSE 100 Day's high: 4:21 PM Day's low: 8:50 AM. FTSE 100 1997 High: 4576.2 (05/06/97) Low: 4056.6 (10/01/97)
Time of FTSE All-Share Day's high: 4:30 PM Day's low: 8:50 AM. FTSE All-Share 1997 High: 2181.10 (05/06/97) Low: 1969.76 (02/01/97)

Further information is available on http://www.ftse.com or contact FTSE International on +44 (0)171 448 1810.
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† Sector P/E ratios greater than 80 and net covers greater than 30 are not shown.
‡ Values are negative

FTSE INTERNATIONAL

TRADING VOLUME

Major Stocks Yesterday

	Vol. 000s	Closing price	Day's change
3i†	2,800	502	-7
ASDA Group†	10,800	123¼	+2¼
Abbey National†	5,800	843½	+16½
Airtours	206	1113½	-10
Albert Fisher	878	37¼	
Alliance & Leicester	1,800	602½	+4
Allied Domecq†	3,200	427	-3½
Anglian Water	158	668½	-2
Argos	2,700	611½	-1
Arjo Wiggins	2,400	158½	-3
Assoc. Brit. Foods†	541	528½	+3½
Assoc. Brit. Ports	588	258	
BAA†	1,000	535½	+1½
BAT Inds.†	2,800	539½	+1
BBA	204	332½	-1
BICC	894	175	+½
BOC†	3,000	1027	+13
BG†	8,100	217	-3½
BP†	6,500	733	+1½
BPB	1,400	331	-2
BSkyB†	839	584	+8
BT†	10,300	453	+6½
BTR†	32,000	193½	-3½
Bank of Scotland†	3,400	368½	-4½
Barclays†	4,400	1160½	-8½
Bass†	735	773	+8½
Blue Circle†	868	408	-½
Booker	2,500	280	-8½
Boots†	7,400	692xd	+6¼
Britannic	200	832½	+½
Brit. Aerospace†	1,400	1273½	+21
British Airways†	3,000	715½	+20
British Biotech	2,000	257½	
British Energy	21,800	148½	+½
British Land†	2,200	587	+1½
British Steel†	21,700	149½	
Burmah Castrol†	375	1040	-2½
Burton†	5,900	130¼	+2¼
Cable & Wire†	5,000	497½	+8½
Cadbury Schweppes†	1,800	520½	-2
Caradon	729	208	+1
Carlton Comms.†	1,100	522½	
Centrica†	16,800	68¼	
Coats Viyella	2,800	127	
Comm. Union†	5,400	672½	+15
Compass	1,700	686½	+15
Cookson	481	224½	
Courtaulds	1,000	337½	-2
Dalgety	377	275	-1
De La Rue	4,500	391½	-8
Dixons†	2,800	493½	+2
EMAP	927	772½	-1½
EMI†	1,800	1155	+20
Electrocomps	107	400	-½
Energy Group†	4,200	554	+5
Enterprise Oil†	1,000	701	+4½
FKI	1,700	175	+1
Foreign & Col. I.T.	1,100	162	
Gen. Accident†	537	893½	
General Elect.†	4,800	331½	-1½
Glaxo Wellcome†	3,700	1197	+9
Glynwed	851	207½	+1½
Granada†	4,000	872	+14½
Grand Met.†	5,300	562½	-2½
GUS†	423	637½	+7
Greenalls	198	460	-1½
GRE†	1,900	271½	-5½
GKN†	887	1022½	-4
Guinness†	2,100	570	-2
HSBC (75p shs)†	1,800	1884½	+14½
Halifax	6,900	729½	-3½
Hammerson	962	498½	+5½
Hanson†	2,000	310	+5
Harrisons Crosfield	745	115	
Hays†	1,400	567½	+4
Hillsdown	1,800	180	+1½
Hyder	69	809	+1½
IMI	365	348½	-1
ICI†	7,800	830	-2½
Imperial Tobacco†	5,300	388	+4½
Inchcape	880	290	
Johnson Matthey	206	469½	+2
Kingfisher†	1,300	725½	+8½
Kwik Save	283	282½	+2
Ladbroke†	4,100	246	-½
Land Securities†	3,100	869½	-8
Laporte	169	639	-3½
Legal & General†	2,800	448½	+8½
Lloyds TSB†	8,200	588½	+2
LASMO†	8,700	259	+11
Lonrho	1,000	137	-½
LucasVarity†	8,500	182	-1½
MEPC	1,200	529½	+11½
MFI	1,400	129	-2
Marks & Spencer†	4,800	508	-2
Mercury Asset Mant†	850	1335½	-2
Morrison (Wm.)	80	151	+½
NFC	16,900	126½	-½
NatWest Bank†	10,400	737	+9½
National Grid†	17,800	219½	-2
National Power†	1,300	601½	-1½
Next†	1,400	703½	-8
Northern Foods	1,200	198½	-½
Orange†	2,100	211	+2
Pearson†	252	707½	-5
P & O†	1,900	635½	-2½
Pilkington	18,800	117	-7
PowerGen†	326	658	+2½
Premier Farnell	1,800	468½	+4½
Provident Financial	184	572½	-3½
Prudential†	6,300	627½	+22½
REXAM	2,800	286½	-2½
RMC†	878	919½	+14½
Racal	2,100	229	
Railtrack†	7,300	658	+12½
Rank Group†	703	422½	-½
Reckitt & Colman†	1,300	837½	-6
Redland	2,100	322½	-4
Reed Intl.†	3,600	595	+1
Rentokil Initial†	2,400	225½	-4½
Reuters†	953	675	-3½
Rio Tinto†	1,800	1021½	-10
Rolls Royce†	3,400	243½	+5½
Royal & Sun Alliance†	1,700	464	+2½
Royal Bk Scotland†	4,900	601	+11
Safeway†	2,700	347	+4
Sainsbury†	1,800	351	
Schroders†	27	1670	-7½
Scottish & New.†	537	684½	-8
Scot. Hydro-Elect.	938	398½	-½
Scottish Power†	1,100	365½	
Sears	1,500	74	-1
Securicor	813	285½	
Severn Trent†	1,100	708½	-12½
Shell Transport†	1,900	1164	-8
Siebe†	789	951½	+6½
Slough Ests	1,100	320½	+8
Smith (W.H.)	1,300	422½	+7
Smith & Nephew†	4,800	173¼	-¼
SmKl Beecham†	3,500	1048½	-8
Smiths Inds.†	895	770½	+7½
Southern Elect	1,100	411	+½
South West Water	207	721	-2½
Stagecoach	183	868½	+½
Standard Chartd.†	1,500	912	-4
Storehouse	6,400	194	-8
T&N	615	127½	+1
TI Group†	2,000	549	-4
Tarmac	242	127	-½
Tate & Lyle†	683	453	-½
Taylor Woodrow	232	159½	-2½
TeleWest Comms	787	74	
Tesco†	4,100	369	+8
Thames Water†	403	689	+4
Thistle Hotels	3,900	177	-8½
Thorn	1,000	178	
Tomkins†	4,900	230½	-1½
Unigate	748	422	-3
Unilever†	1,100	1608	+7½
United Assurance	1,300	470	-3½
United Biscuits	1,700	208½	
Utd. News & Media†	1,700	781½	-6
United Utilities†	708	679	-½
Vodafone†	15,700	290½	+6
WPP	4,000	249½	-4
Wessex Water	45	391	-3½
Whitbread†	754	775½	+5½
Williams Hldgs.	5,600	314½	+1
Wimpey	193	113½	
Wolseley†	1,600	458½	-2
Yorkshire Water	490	382½	-4
Zeneca†	1,300	1852½	-½

Based on trading volume for a selection of major securities dealt through the SEAQ system yesterday until 4.30pm. † Indicates an FTSE 100 index constituent. All trades are rounded. Source: Extel, part of FT Information.

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WORLD STOCK MARKETS

Highs & Lows shown on a 52 week basis

EUROPE

AUSTRIA (Jun 5 / Sch)

[illegible]

BELGIUM/LUXEMBOURG (Jun 5 / Frs.)

[illegible]

CZECH REP (Jun 5 / Koruna)

[illegible]

DENMARK (Jun 4 / Kr)

[illegible]

FINLAND (Jun 5 / Mkal)

[illegible]

FRANCE (Jun 5 / Frs)

[illegible]

GERMANY (Jun 5 / Dm.)

[illegible]

GREECE (Jun 5 / Drachma)

[illegible]

ITALY (Jun 5 / Lira)

[illegible]

NETHERLANDS (Jun 5 / Fls.)

[illegible]

NORWAY (Jun 5 / Kroner)

[illegible]

POLAND (Jun 5 / Zloty)

[illegible]

PORTUGAL (Jun 5 / Escudo)

[illegible]

SPAIN (Jun 5 / Pts)

[illegible]

SWEDEN (Jun 5 / Kronor)

[illegible]

SWITZERLAND (Jun 5 / Frs.)

[illegible]

TURKEY (Jun 5 / Tk Lira)

[illegible]

PACIFIC

JAPAN (Jun 5 / Yen)

[illegible]

AUSTRALIA (Jun 5 / Aus$)

[illegible]

HONG KONG (Jun 5 / H.K.$)

[illegible]

INDONESIA (Jun 5 / Rupiah)

[illegible]

MALAYSIA (Jun 5 / MYR)

[illegible]

NEW ZEALAND (Jun 5 / NZ $)

[illegible]

SINGAPORE (Jun 5 / S$)

[illegible]

SOUTH KOREA (Jun 5 / Won)

[illegible]

TAIWAN (Jun 5 / TW $)

[illegible]

THAILAND (Jun 5 / Baht)

[illegible]

NORTH AMERICA

CANADA

TORONTO (Jun 5 / Can $)

4 pm close

[illegible]

MONTREAL (Jun 5 / Can $)

4 pm close

[illegible]

AFRICA

SOUTH AFRICA (Jun 5 / Rand)

[illegible]

Prices supplied by Extel, part of FT Information.

NOTES - Prices on this page are as quoted on the individual exchanges and are mostly last traded prices. * Calendar year high and low. ‡ Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all. † Priced in US $.

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INDICES

	Jun 5	Jun 4	Jun 3	1997 High		1997 Low	
Argentina							
General(29/12/77)	[illegible]	22658.20	22710.97	22794.98	3/6	18237.37	2/1
Australia							
All Ordinaries(1/1/80)	2604.2	2615.9	2613.6	2625.70	3/6	2362.20	1/4
All Mining(1/1/80)	932.9	943.2	947.0	987.10	24/2	878.40	16/4
Austria							
Credit Aktien(30/12/84)	431.07	430.86	429.98	431.07	5/6	374.40	9/1
Traded Index(2/1/91)	1306.82	1304.12	1298.82	1310.70	27/5	1130.22	9/1
Belgium							
BEL20(1/1/91)	2290.02	2284.40	2280.77	2304.48	4/3	1971.05	2/1
Brazil							
Bovespa(29/12/83)	[illegible]	11030.0	11110.0	11361.00	3/6	0.00	29/4
Canada							
Metals & Minls(1975)	[illegible]	5418.46	5462.96	6081.76	10/3	4845.98	11/4
Composite(1975)	[illegible]	6428.60	6432.70	6404.18	26/5	5579.30	14/4
Portfolio(4/1/83)	[illegible]	3265.28	3268.35	3300.94	26/5	2846.82	11/4
Chile							
IPSA Gen(31/12/80)	[illegible]	5721.63	5726.12	5936.86	3/6	4812.42	2/1
Denmark							
Copenhagen SE(3/1/83)	[illegible]	579.83	577.13	588.24	21/5	476.14	2/1
Finland							
HEX General(28/12/90)	3051.64	3077.10	3085.22	3120.08	23/5	2469.35	2/1
France							
SBF 250(31/12/90)	1781.56	1747.83	1742.40	1838.28	16/5	1539.10	2/1
CAC 40(31/12/87)	2690.85	2636.37	2624.49	2786.25	21/5	2256.97	2/1
Germany							
FAZ Aktien(31/12/58)	1292.76	1292.91	1289.47	1294.03	28/5	986.21	2/1
Commerzbank(1/12/53)	3364.70	3386.80	3414.80	3437.70	28/5	2875.80	2/1
DAX(30/12/87)	3573.03	3607.89	3625.74	3674.58	27/5	2848.77	2/1
Greece							
Athens SE(31/12/80)	1644.86	1670.03	1694.56	1727.70	23/5	984.64	2/1
Hong Kong							
Hang Seng(31/7/64)	14776.52	14630.50	14380.17	14860.86	2/6	13005.17	3/4
India							
BSE Sens.(1979)	3673.85	3661.42	3638.85	3846.85	4/3	3225.34	2/1
Indonesia							
Jakarta Comp.(10/8/82)	691.16	693.53	688.40	712.80	26/2	631.27	15/4
Ireland							
ISEQ Overall(4/1/88)	3019.36	3098.25	3081.43	3098.34	5/6	2725.02	2/1
Italy							
Banca Comm Ital(1972)	788.85	785.20	783.24	787.71	10/2	642.66	2/1
MIB General(4/1/97)	1154.0	1155.0	1148.0	1197.00	10/2	991.00	2/1
Japan							
Nikkei 225(16/5/49)	20448.93	20431.56	20563.16	20681.08	4/6	17303.65	10/1
Nikkei 300(1/10/82)	292.74	293.09	293.91	293.94	6/3	233.04	27/1
Topix(4/1/68)	1514.45	1518.27	1511.93	1518.27	4/6	1320.82	10/4
2nd Section(4/1/68)	1797.55	1795.13	1788.63	1829.21	8/1	1598.50	15/4
Malaysia							
KLSE Comp.(4/4/86)	1108.84	1119.28	1126.83	1271.57	25/2	1041.27	15/5
Mexico							
IPC(Nov 1978)	[illegible]	4121.56	4060.05	4121.56	4/6	3308.46	2/1
Netherland							
CBS TtlRtnGen(End 83)	963.9	961.9	956.8	963.90	5/6	730.88	2/1
CBS All Shr(End 83)	557.0	555.8	552.9	557.00	5/6	429.00	2/1
New Zealand							
Cap. 40(1/7/86)	2362.78	2357.03	2349.43	2448.21	20/1	2287.48	1/4
Norway							
Oslo SE(Ind(2/1/83)	1959.80	1980.81	1981.84	1981.84	3/6	1638.08	2/1
Philippines							
Manila Comp(2/1/85)	2778.44	2796.11	2802.78	3447.60	3/2	2402.38	20/5
Portugal							
BVL 30(4/1/93)	2970.78	2928.07	2909.25	2970.78	5/6	2105.57	2/1
Singapore							
SES All-Sing(2/4/75)	501.50	502.54	504.64	523.83	17/2	470.94	29/4
South Africa							
JSE Gold(28/9/78)	1140.3¥	1145.7	1157.8	1588.10	27/2	1140.30	5/6
JSE Ind.(28/9/78)	8469.5¥	8428.4	8336.8	8588.70	6/5	7069.50	2/1
South Korea							
Korea Comp Ex(4/1/80)	765.67	763.25	766.06	766.06	3/6	611.06	7/1
Spain							
Madrid SE(30/12/85)	566.24	567.47	556.57	577.76	27/5	434.54	2/1
Sweden							
AffarsvaldsGen(1/2/37)	2878.6	2880.4	2879.6	2911.00	26/5	2378.50	2/1
Switzerland							
SMI Index(1/7/88)	5251.2	5338.5	5207.2	5251.20	5/6	3822.90	7/1
SPI General(1/6/87)	3327.59	3313.71	3291.37	3327.59	5/6	2506.22	6/1
Taiwan							
Weighted Pr(30/6/66)	8231.20	8282.91	8255.78	8663.72	26/4	6844.75	6/1
Thailand							
Bangkok SET(30/4/75)	548.05	553.87	556.57	858.97	22/1	548.05	5/6
Turkey							
IMKB Nat 100(1/1986)	1675.00	1649.00	1659.00	1675.00	5/6	985.00	2/1
WORLD							
MS Capital Int(1/1/70)	801.9*	808.0	801.2	808.30	26/5	734.50	14/4
CROSS-BORDER							
Eurotrack 100(26/10/90)	2308.61	2357.69	2344.14	2370.89	27/5	1883.80	2/1
FTSE E 100(30/6/90)	2010.59	2000.39	1998.05	2020.79	27/5	1582.98	2/1
HSBC JC Srpr(31/12/90)	[illegible]	421.12	420.43	429.46	20/1	381.54	29/4
MG Bnge Euro(7/1/93)	[illegible]	151.33	152.48	152.48	3/5	138.24	3/1

US INDICES

Dow Jones	Jun 4	Jun 3	Jun 2	1997 High	1997 Low	Since compilation High	Since compilation Low
Industrials	7269.66	7312.15	7289.41	7383.41 (27/5)	6391.69 (11/4)	7383.41 (27/5/97)	41.22 (8/7/32)
Home Bonds	102.18	102.53	102.37	103.83 (19/2)	101.89 (14/4)	109.77 (18/10/93)	54.99 (1/10/81)
Transport	2659.02	2670.45	2671.79	2683.37 (23/5)	2222.07 (2/1)	2683.37 (23/5/97)	13.23 (8/7/32)
Utilities	221.05	222.33	221.11	240.86 (22/1)	209.47 (25/4)	256.46 (31/8/93)	16.53 (8/7/32)

DJ Ind. Day's high 7350.36 (7379.98) Low 7214.29 (7225.02) (Theoretical¶)
Day's high 7312.15 (7342.63) Low 7258.93 (7253.70) (Actual¶)

Standard and Poors	Jun 4	Jun 3	Jun 2	1997 High	1997 Low	Since compilation High	Since compilation Low
Composite‡	840.11	845.48	846.36	849.71 (27/5)	737.01 (2/1)	849.71 (27/5/97)	4.40 (1/6/32)
Industrials¶	988.43	995.21	998.08	1006.28 (27/5)	865.42 (11/4)	1006.28 (27/5/97)	3.52 (30/6/32)
Financial	95.26	95.67	94.46	97.25 (10/3)	80.75 (2/1)	97.25 (10/3/97)	7.13 (4/9/74)
NYSE Comp.	440.18	442.36	441.54	442.36 (3/6)	398.47 (11/4)	442.36 (3/6/97)	4.84 (25/4/42)
Amex Comp.	607.73	608.02	607.17	609.02 (3/6)	541.20 (28/4)	617.61 (22/5/96)	524.20 (16/7/96)
NASDAQ Comp	1379.67	1384.91	1404.79	1410.18 (28/5)	1201.00 (2/4)	1410.18 (28/5/97)	54.87 (3/10/74)

■ RATIOS

	May 30	May 23	May 16	Year ago
Dow Jones Ind. Div. Yield	1.73	1.69	1.71	2.18
	Jun 4	May 28	May 21	Year ago
S & P Ind. Div. yield	1.69	1.67	1.67	1.83
S & P Ind. P/E ratio	23.32	23.66	23.39	22.74

■ NEW YORK ACTIVE STOCKS

Wednesday	Stocks traded	Close price	Change on day
Iomega	17,098,400	20¼	+1
PepsiCo	9,980,400	36	-2⅜
Cabletron	7,540,700	30¾	....
Energy 2000	7,451,100	60¾	-1⅛
Seagate Tch	6,101,700	38¾	-½
Compaq	5,882,900	97⅝	-2¼
Telsat Mex	5,179,900	46⅞	+1⅛
Gen Elec	4,730,100	60⅝	+½
Micron Tech	4,672,200	39⅞	-⅜
Wactaplace	4,637,800	20⅞	-¼

■ TRADING ACTIVITY

● Volume (million)

	Jun 4	Jun 3	Jun 2
New York SE	468.751	526.968	432.664
Amex	18.950	22.167	20.475
NASDAQ	607.381	599.922	557.319
NYSE			
Issues Traded	3,336	3,371	3,340
Rises	1,150	1,482	1,539
Falls	1,331	1,024	974
Unchanged	855	865	827
New Highs	172	287	302
New Lows	9	12	6

INDEX FUTURES

	Open	Sett Price	Change	High	Low	Est. vol	Open int.
■ CAC-40 (MATIF) (FFr 200 x Index)							
Jun	2697.0	2684.0	+71.0	2708.0	2623.0	24,875	38,686
Jul	2696.0	2682.0	+70.0	2704.0	2626.0	124	4,449
■ DAX							
[illegible]	[illegible]	[illegible]	+18.0	3698.0	3643.0	22,160	150,302
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,764	13,338
■ OMX							
Jun	2257.00	2264.00	-6.00	2276.00	2255.00	3,731	25,231
Jul	2267.75	2269.75	-5.50	2271.75	2267.75	332	1,886
■ SOFFEX							
Jun	5204.0	5240.0	+27.5	5240.0	5204.0	5,193	23,936
Jul	5323.0	5239.0	+16.2	5240.0	5232.0	543	3,475

	Open	Latest	Change	High	Low	Est. vol	Open int.
■ S&P 500							
Jun	842.10	844.00	+1.90	847.75	841.00	87,403	156,694
Sep	-	852.20	+1.45	-	852.20	9,615	40,633

	Open	Sett price	Change	High	Low	Est. vol	Open int.
■ Nikkei 225							
Jun	20600.0	20470.0	-80.0	20680.0	20420.0	24,444	185,564
Sep	20630.0	20520.0	-80.0	20700.0	20440.0	16,699	67,644

Open interest figures for previous day.

[illegible] are for CAC-40, Amsterdam All Ord and [illegible] Toronto Comp./Met & [illegible] Base values of all indices are 100 except Australia All Ord and [illegible] 1 Correction. * Calculated at 15.30 GMT ● Excluding bonds. ‡ Industrial, plus Utilities, Financial and Transportation. ¶ The DJ Ind. index theoretical day's highs and lows are the averages of the highest and lowest prices reached during the day by each stock, whereas the actual day's highs and lows represent the highest and lowest values that the index has reached during the day. (The [illegible] previous day's. ¥ Subject to official recalculation.

■ TOKYO - MOST ACTIVE STOCKS: Thursday, June 5, 1997

	Stocks Traded	Closing Prices	Change on day
Mitsui Fudosan	6.6m	1590	+50
Nissho Iwai	5.5m	501	+9
Toshiba Corp	5.3m	739	+10
Fujitsu	5.2m	1470	+10
Mitsui Co	4.7m	1050	+10
Nissan Motor	4.3m	817	[illegible]
Mitsubishi Hvy	3.8m	853	[illegible]
Nippon Steel Cp	3.7m	350	[illegible]
Keisei Elect Ry	3.7m	728	[illegible]
Shinko Electric	3.4m	515	[illegible]

NEW YORK STOCK EXCHANGE PRICES

4 pm close June 5

- A -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
32	24¼	AAR x	0.40	1.5	24	558	21½	31⅛	31⅜	+¼
43	33⅛	AMP	1.04	2.6	32	3882	40⅞	39¾	40	+⅛
99¾	78¾	AMR			7	8435	u100⅛	98⅞	99¼	+1⅜
37⅞	31½	ASA	1.20	3.7	21	369	32⅞	31⅞	32¼	+¼
67⅞	49¾	AbbtL	1.08	1.7	25	6109	63½	62⅝	62⅝	-⅛
10⅞	14⅞	AbtBl Pr	0.40	2.2	6	34	18¼	10	10	-⅛
19⅞	17½	ABM Ind	0.40	2.0	10	742	u20	19¾	20	+¼
23	17¾	Acpiacoin			18	120	21⅛	21¼	21⅛	
66⅞	65½	ACE Ltd	0.08	1.3	10	1438	65¾	64¼	65½	+⅛
18¾	18	ACM Gvt In x	0.90	8.8	11	302	10¼	10⅛	10¼	+⅛
7⅞	7	ACM GvOpp x	0.53	6.3		40	7⅞	7⅞	7⅞	
9⅞	9¼	ACM Man x	0.08	9.4		288	9⅝	9⅝	0⅞	-⅛
10⅞	8¼	Acme Elect				43	7	7	7	+⅛
20	13	Acme Mills				47	16¾	16½	16¾	+¼
17¾	14	ACNielsen			32	1613	u18	17⅞	17⅞	+⅛
30⅝	27¼	Acordia x	0.90	2.0	16	109	u30⅝	30½	30½	
30¾	21¼	Acxiom				3207	23⅞	22¼	22⅛	-¼
22⅛	19⅞	Adams Expr	0.85	0.5	1	276	22	21⅞	22	+⅛
48½	24⅞	AdvMic				31375	39⅞	36½	31½	-1¼
17¼	18⅛	Advest Grp	0.03	0.2	11	04	16⅞	15⅛	16⅞	+¼
14⅛	11⅞	Adtro Inc			17	212	14½	14½	14½	+⅛
75⅞	61⅛	Aegon	1.45	1.8	21	78	74⅝	74⅛	74⅞	
8⅛	5⅛	Aeflex				465	4⅛	4	4	-⅛
44¼	33	Aero-V x	0.80	1.8	12	1874	u44¼	43⅞	43⅞	+⅜
74	48	AES Corp				z0	u74	74	74	
102¼	73	Aetna	0.80	0.8	57	5283	u104⅞	101	103	+2
51⅞	37½	Aflac	0.46	0.9	18	3201	50⅞	50½	50¾	
32⅛	19¼	AGCO	0.04	0.1	13	z0	32	32	20	-⅛
31⅞	18⅛	AGL Res	1.39	5.5	13	436	19⅞	18⅛	10⅞	+¼
45¼	32	Ahmson	0.88	2.1	39	11070	42⅝	43	42⅝	+1⅜
80	66⅞	AirPrC	1.20	1.9	21	2720	77⅝	76¾	77¼	+⅛
38⅞	22¾	Airbne Frt	0.30	8.0	19	1189	38	37¼	37¾	+½
24½	13½	Airgas			65	3062	19	18⅞	18	+⅞
17⅝	10	Airlease	2.43	21.6	0	33	11¼	11⅛	11¼	+⅛
29⅞	22	AirTch			68	6912	27⅛	26⅝	26¾	-⅛
27⅝	30¾	Alaska Air			3	1130	25½	24½	25½	+1
24½	19¾	Albany Int x	0.42	1.6	14	84	23⅝	23⅞	23⅞	
24⅛	14⅛	Albemarle	0.28	1.8	14	1207	18⅞	18¼	15⅝	+⅛
39¼	23⅝	AlbCuB	0.20	0.7	19	601	27⅝	27¼	27¼	-¼
25⅞	25	AlbCuA	6.20	0.9	17	791	23⅞	22⅞	23⅞	+⅛
37¼	30⅝	Albtsn	0.64	1.6	18	6859	36¼	35⅞	36¼	+⅛
38¼	30½	AlcanAl x	0.60	1.7	15	1306	36¼	33¾	35⅞	-¼
69	41⅞	AlexBrown	0.68	1.6	12	2132	u70⅞	68¾	70⅛	+1½
21⅛	25½	AllegP	1.72	6.6	13	2643	26⅞	25⅞	26⅛	+⅛
29½	21	AllegT	0.64	2.0	31	5703	26⅛	25¾	25¾	-¼
28⅞	19⅞	Allegnce	0.40	1.4	22	673	u28⅞	28⅛	28⅞	
26½	15	Allen Com			20	537	22⅞	21⅞	22	-¼
35¼	25⅞	Allergan x	0.52	1.6	20	683	32	31⅞	31⅞	+⅛
30¼	24	Allnce Cap	2.40	9.2	11	712	26⅞	26⅛	26⅛	-⅛
15½	12⅛	Allnce Gl				476	u18⅞	15½	15½	
47¼	38⅛	A Irish	1.45	3.2	11	125	45½	44⅞	45⅛	-⅛
77½	65½	AldSig x	1.04	1.4	39	3238	76⅞	75¾	76¼	+⅜
32¼	30	AlmPr	0.18	0.3	13	39	u32¼	32	32¼	+⅜
16⅞	10	Allmer x	0.84	6.1		70	10½	10⅞	10⅞	-⅛
73⅞	59¼	Allste x	0.60	1.4	12	10888	70¾	69½	69⅞	+⅛
36¾	29¾	Alltel x	1.10	3.4	10	896	32¼	31⅞	22	-⅛

- B -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
31¼	17⅞	BBOMd	0.05	0.3	39	329	19⅞	19½	19⅝	-⅛
28	24¾	BalGE	1.08	6.2	12	1190	28	23⅞	25¾	+⅛
49¼	39⅛	BncOne	1.52	3.5	18	3101	44⅛	43½	44	+½
73⅞	52¼	BancoBil V	1.67	2.3	24	157	u73⅞	73⅛	73⅞	+1
17⅞	12⅛	BCH	0.60	1.6	20	0	16⅞	10⅛	16⅞	+⅛
17⅞	13	BCP ADR	0.34	1.8	15	604	u18¼	17⅞	18¼	+1
31⅞	40	Bandag	1.08	2.0	14	148	49¼	49	49	-⅛
123¼	95⅞	BankAm x	2.44	2.8	18	14234	122½	130	120⅝	+1½
43¼	22¾	BankNY	0.90	2.2	16	12825	40⅛	42	43⅛	+1⅛
19⅛	13⅞	BTM ADR x	0.60	0.3		275	10	17⅝	10	+¼
59¼	47⅞	BankAm A	3.25	6.6		14	49½	49½	49½	-⅛
39	90¾	BankAm D	0.90	6.3		17	u85	65	39	
79½	61⅞	Bkbstn	2.04	2.0	16	2446	73⅞	72¾	73⅞	+¼
87	70	Bkbos0.59 x	5.56	0.9		1	84¾	84½	84½	-1
47¾	45½	BkbostnA x	3.04	6.6		z100	46⅞	46⅛	46¼	-¼
96¼	74	BnkTst	4.00	4.5	12	4839	88½	86⅞	88⅞	+1⅞
84	63¾	Bclays	2.12	2.8	14	16	76½	78	78	-½
32½	26⅞	Bard (C R)	0.38	2.1	39	433	32¼	32	32½	
36⅛	10.06	Barnes Grp x	0.06	2.3	14	256	26⅞	26½	28½	-¼
53¼	38	BarrSk x	1.08	2.0	18	5806	59	52⅝	32¼	
28¾	21½	BrckGd x	0.14	0.8	44	16487	24⅞	23¾	24¼	+⅛
11¾	8½	Barry(RG)			14	94	u11⅞	11½	11⅞	+⅛
7⅝	5⅝	BattMt	0.05	0.6		3025	6⅛	5¾	5⅝	+¼
41¾	32½	Bausch x	1.04	2.5	35	1983	41⅛	40¾	41	+⅛
52⅞	39⅞	Baxter	1.13	2.2	58	5681	51⅛	50⅞	51⅛	+⅛

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1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
25½	15⅞	BayNtwks				18121	22⅞	21¾	21⅞	
28¼	25¼	Bay St Gas	1.54	5.7	14	87	27⅞	27⅛	27¼	-⅛
28⅞	15¼	BBN				140	29	28⅞	28⅞	-⅛
20¼	19¼	Bd Tr 1838	1.56	7.9		39	19⅝	19⅝	19⅝	-⅛
8¼	7½	BEA Inc x	0.72	8.9		208	8⅞	0	8⅛	+⅛
9½	0	BeaStrat x	0.81	0.5		11	u9½	9⅜	9⅜	-⅛
34	28	BearSt	0.88	1.9	7	1840	32⅝	32⅛	32⅞	
36½	27½	Bearings	0.64	1.8	17	39	35⅝	35¼	35⅛	+⅛
47⅞	37	Beckman In x	0.60	1.3	17	566	46⅞	45½	45⅞	-⅛
51⅞	42⅜	BectnD x	0.52	1.1	21	3003	49⅞	48⅝	48⅝	-⅜
21¼	16⅞	BdfrdProp	1.08	5.9	10	71	18⅝	18⅛	10⅞	+⅛
73	58¾	BellAtl	2.96	4.2	17	7310	71⅞	70¾	70⅞	-⅛
24	18⅛	Bell In			10	48	18⅞	18¾	18⅛	-⅛
47⅝	38⅛	BellSth	1.44	3.3	18	4678	44⅝	43⅝	43¾	-¼
39½	33¼	Belo A x	0.44	1.1	71	310	38⅝	38⅛	38⅝	+⅛
43⅞	33⅝	Bemis	0.08	2.0	21	367	40⅛	39⅞	40	
67	63¾	Benef 4.3P	4.30	6.6		z0	64¾	64¾	64¾	
75¾	58½	Benef x	2.08	3.2	13	2866	66¼	64½	65⅞	+1⅜
36⅞	22⅞	Benetton A x	0.38	1.4	17	4	28	28	28	+⅛
½	⅜	Benguet B			15	109	⅜	d⅜	⅜	
95⅝	22	BergBr	0.46	1.6	18	660	30¼	29⅝	30	+¼
44180	33000	BerkHA				1	u44800	43700	44600	+1100
1485	1088	BerkHB				39	u1491	1450	1490	+35
18⅞	19⅞	Berry Petr	0.40	2.6	10	43	15¼	15	15⅛	-⅛
14⅞	7⅞	Best Buy				11551	12⅞	12⅛	12¼	-1
27⅞	25⅞	Beth St 2. x	2.50	0.4		23	28⅞	28⅞	28½	
53⅛	49⅞	Bethlhm Pf x	5.00	0.7		30	51⅞	51⅞	51⅞	-⅛
10¼	7⅝	BethSt				8836	u10⅞	18⅞	10⅛	+⅛
67	54⅞	Btcbrn	1.58	2.3	30	947	64¾	64	64½	+⅛
16⅛	12¼	BevEnt			28	3581	14⅞	14½	14⅞	+⅜
40	25½	BG ADR x				54	35⅝	35¼	35¼	-½
22	17⅞	Bindley W	0.08	0.4	10	21	21⅛	21	31	-⅛
22	14¼	Birmingm B	0.40	2.4	39	827	16½	16¼	16⅞	-⅛
37⅞	29⅞	BlDeck	0.40	1.3	13	3077	36⅝	35¼	35⅞	-⅛
29¼	30¼	Black H PL	1.42	4.9	15	58	u29¼	28	30⅛	+¼
8⅞	6⅞	BlckrckAdv	0.68	7.4		25	0⅞	8½	8½	-⅛
6⅝	8⅛	Blckrckinc	0.56	8.7		131	8½	8⅛	6½	
8⅛	9¼	BlckrckTgt	0.57	0.4		409	0	9⅞	0	+⅛
33¾	28	Block	0.80	2.5		3009	32¼	31⅞	32	-¼
43¾	37⅞	Blount A	0.51	1.2	15	52	42½	42⅛	42½	+⅛
10¼	0	BlueChV	0.90	9.8		121	9⅝	9	0	-⅛
3¾	2⅝	Bluegreen				127	u3¾	3⅝	3¾	
35	24	BMC Ind	0.90	0.2	24	378	32⅞	32	32¼	+⅛
114½	04	Boeing x	1.12	1.9	27	8094	108½	106¾	107⅞	+⅞
39⅛	26⅝	BoiseC	0.60	1.6		577	37⅞	37⅛	37½	+¼
6⅞	3⅛	Bombay Co				1358	4⅛	4½	4⅛	
12¼	8⅛	Borde Chm	0.40	3.6	64	1878	11⅞	10⅞	11	+⅛
28⅞	22¼	Bosto Celt	1.08	5.7	14	20	28⅛	20¼	20¼	-⅛
71½	41	BosSci			40	11928	54⅞	53	54	+1¼
50½	35⅞	Bowatr	0.80	1.6	23	088	49⅞	47¾	48⅛	+¼
28⅛	31⅛	BrdfrdRE	0.61	2.2		234	27⅞	27⅞	37⅞	-⅛
27¼	22½	BRE Prop x	1.38	0.8	0	833	24⅝	24⅞	24½	+⅛
27⅛	17	BreedTe	0.28	1.4	20	149	20⅛	10⅞	29⅞	+¼
52¼	42⅝	BrigSt x	1.12	2.2	71	705	31¼	51	21⅝	+⅛
18⅛	16⅞	Brinkerint			17	600	13⅝	13½	13⅝	
75¾	53¼	BrMySq	1.52	2.0	25	14422	u75¾	73⅛	74½	+1⅜
125⅝	94⅞	Br Air x	2.29	1.6	15	17258	118¼	17	117⅝	+3⅞
147⅞	120¾	BP x	4.33	3.0	71	2789	144⅝	145¼	144⅛	+¼
18¾	15	BP Prudhoe	2.20	16.7	10	268	16⅞	16	18⅛	
27⅝	21⅞	BSted	1.88	6.8	3	3799	24⅞	24¾	24¾	-⅛
75⅝	65⅞	BT	7.41	10.8	10	1205	74⅝	73¾	74⅛	+1
30½	26⅛	BklynU	1.46	5.3	10	183	20	27¾	27¾	

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
39¾	26⅛	Cinn Bell	0.40	1.3	31	1213	31⅞	30⅛	31⅞	+1⅜
22⅝	17⅞	CinMil x	0.38	1.6	18	663	u24	23⅞	23¾	+⅛
2¼	1¼	Cineplex O			0	709	2	1⅞	1⅞	-⅛
36¾	32	Cinergy	1.80	5.3	18	2402	84¼	33⅞	34⅛	
37	33½	Cipsco x	2.12	6.1	15	168	34¾	34½	34½	-⅛
40⅞	28⅝	CircCt	0.14	0.4	20	20397	36⅛	33¼	36	-2⅛
36⅞	23½	Circus Cir			30	4585	25⅞	24⅞	26	-⅛
127⅞	89⅞	Citicp	2.10	1.6	15	16272	116⅝	114⅞	115⅝	+½
96	92¾	CitcpPf2Ad	0.90	6.2		63	u96¼	96¼	96¼	+⅛
101	96	CitcpPf3Ad	7.08	7.1		z0	99¼	29⅛	99⅛	
12½	8⅞	Ctzn Util A x			12	604	9½	8¼	9⅞	+⅛
12½	0	Ctzn Util B x			13	1193	9½	8⅞	9½	+⅛
25⅞	20⅝	City Natnl	0.44	1.9	15	548	23⅞	23½	23¾	+⅛
27	18⅝	CKE	0.08	0.3	39	548	u27⅞	26⅞	27	
18¾	12	ClairStr	0.12	0.6	19	628	18⅞	18⅞	19	-⅛
15¾	12⅝	Clayton Hm	0.60	0.5	15	1496	15¼	14⅞	15½	+⅛
9⅝	7½	Clemente G	0.81	8.3		247	u9⅞	8⅛	9¾	+⅛
94	82⅝	Cleve7.56	7.56	0.8		6	u94½	92⅞	94	+2
45⅞	41⅛	ClevClf	1.30	3.1	8	97	42½	43¼	42½	+¼
34½	82½	Clevd El	7.40	8.2		z0	90¼	90¼	60¼	
138	97¼	Clorox	2.32	1.8	27	1201	128¾	126½	127⅞	+⅞
4⅞	1⅞	CML Group				339	2⅝	2½	2½	-⅛
10⅞	10⅞	CNA Income	0.96	8.9		10	u10¾	18⅛	18¾	
38¼	20¼	CNF Trans x	0.46	1.3	19	1745	31⅞	31⅛	31½	-¼
30⅝	15⅞	Coachmen x	0.20	1.2	9	295	17	16⅞	71	
48¾	36½	Coast Sav			65	913	45⅝	44	45⅛	+1⅛
51⅞	43⅞	CoastI x	0.40	0.8	16	4558	51½	50⅝	51	-¼
69	61¼	Coca C	0.08	0.8	40	26312	87⅛	68⅛	68⅞	-⅜
22	15.71	CocaEn	0.03	0.2		3867	21½	20⅞	21⅛	-⅜
18⅞	12¾	Coeur Dal	0.10	1.1		881	13¾	13½	13¾	-⅞
37¾	28⅛	Cognzt x	0.12	0.3	24	5412	37⅞	36¾	37½	+⅞
19⅛	11½	Coleman				348	18¾	16⅝	18¾	
32½	45	ColgPa	1.10	1.8	28	3178	62¼	32⅞	62⅛	+1⅜
10½	9⅞	Colonial	0.84	8.2		3	10⅞	18⅛	10⅞	
8⅞	7⅞	ColonHi x	0.55	6.6		36	8⅛	8⅛	8¼	+⅛
7⅞	7⅞	ColonIn x	0.68	0.3		10	u7⅝	7⅜	7¼	-¼
7½	6⅞	ColonM x	0.51	6.9		200	u7½	7⅞	7⅞	
66¾	58	ColGas x	0.08	0.9	16	088	68	65	65¼	-½
44⅞	30⅞	ColHCA	0.08	0.2	13	12247	37	36½	36½	-⅛
23⅞	19⅞	ColRE	1.58	7.2	22	32	32	21⅞	20	+⅛
36½	27⅞	Comdisco x	0.28	0.8	10	713	35⅞	36	35½	-⅛
64	51½	Comrica	1.72	2.7	17	2583	63⅞	63⅛	63⅝	-⅛
13⅞	11¼	Comintc x	0.54	4.1	13	83	13¼	18¼	13¼	+¼
30⅝	27⅛	Comml Met	0.52	1.7	11	59	30⅞	30⅛	30¼	
25	24	ComEd1.9	1.90	7.7		19	24⅝	24⅞	24⅝	
25⅝	24⅞	ComEd2.00	2.00	7.8	0	z0	25⅞	25⅞	25⅞	
15⅞	8⅞	Commun Psy				415	15¾	15⅞	15⅞	
138⅝	71	Compaq			19	28551	101	98¾	99⅞	+1½
18¼	11⅞	CompCr				34	14	13⅝	13⅞	
57⅛	37¼	CompAss	0.10	0.2	64	5602	64¼	53	53⅞	-⅛
82⅝	58	CompSci			32	4408	70⅛	71¾	78¼	+⅝
32⅞	16⅞	CompTask	0.05	0.2	44	627	u32½	31¾	31⅞	-⅜
28½	19⅞	Comsat x	0.20	0.9	30	2258	23⅞	22½	23⅞	+⅞
14⅛	6⅝	ComstockR			7	758	10¾	10½	10⅝	+⅛
61½	40	ConAgra	1.08	1.8	30	5091	u61½	59⅞	60⅞	+½
23½	20¾	Connect NG	1.82	7.8	14	139	22⅛	31½	31½	
24⅞	21	ConsEn	1.32	5.8	12	34	22	22⅞	22⅝	+⅛
71⅞	68¾	ConsE4.65	4.08	6.7		z0	69½	69½	69½	
32⅞	27	ConsEd x	2.10	7.1	10	2895	29⅞	28	28⅞	-⅛
72½	68	Cons Ed Pf	5.00	7.1		11	70	70	70	+1
57¾	47⅞	CnsNG	1.34	3.8	18	1697	54	53⅞	53⅝	+¼
57⅛	41⅛	ConPap	1.88	3.1	15	475	54¾	54⅛	54⅞	+⅛
44⅛	30⅝	Cons Store			23	4389	41	39	39	-¼
43⅞	30¾	Conseco	0.12	0.3	16	9334	40⅝	39½	39⅞	-½
61	55¼	CEgy 4.18 x	4.18	7.1		z0	59½	58½	58½	
101½	93	CEgy 7.45 x	7.45	7.8		0	98⅞	98¼	98¼	-1⅞
15½	14⅞	Conv Hlds	0.29	1.9		45	u15⅝	15½	15⅞	+¼
8⅞	0⅞	Conv H Pf	1.10	12.2		33	8⅝	0½	8⅞	
22½	15⅞	CooprCo			13	197	20	21⅛	21⅞	+⅛

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
52½	48	Coopls	1.32	2.8	18	1385	52	51½	51¾	+⅛
23½	18	Cooper T&R x	0.34	1.5	10	807	22⅝	22	22⅛	-⅛
18⅞	12⅞	Core Ind x	0.24	1.3	13	144	u18⅞	18⅛	18⅛	-⅛
55	48½	CrnInt x	1.88	3.5	71	3100	53⅞	53	53⅞	+¼
63¾	33⅞	Crning x	0.72	1.4	39	2814	50¾	50	50¼	+¼
31⅞	24⅞	Country Cr	0.32	1.2	11	1309	27½	27⅛	27¼	+⅛
28½	24¼	CousinsPr	1.24	4.5	26	39	27⅞	27½	27⅝	+¼
20½	14⅝	Covance			70	2317	19⅞	19	19⅛	
18	14⅞	Craig			2	3	17	16⅞	17	
41⅝	27½	Crane x	0.80	1.2	18	1902	u42⅞	41⅝	41⅛	+½
10	13⅞	Crawfd	0.44	2.7	21	2100	16¼	16⅛	16⅛	+¼
38¾	33⅞	CrdFn	1.16	3.0	19	781	38½	38¼	30⅛	
16⅞	12⅞	CrMM	1.40	8.7	13	708	16¼	16	16⅛	
2⅛	1⅜	CRII Liq Re	0.04	2.1	3	z0	1⅞	1⅞	1⅞	
24¼	17⅞	CromptonK	0.06	0.2		1232	23⅛	22⅞	23⅛	+¼
59¾	31⅛	CrownCk	1.00	1.8	26	3158	57⅞	58	57⅛	+¾
27½	19¼	CUCInt			54	31170	22¾	22⅞	22⅛	-⅛
138⅞	69¾	Culbro			62	79	138¾	138⅝	138½	-2¼
64⅞	44¼	CumminEn x	1.10	1.7	18	1881	u65½	63	64⅞	+1½
11½	10¾	Current In x	0.82	7.4	12	z0	11⅛	11⅛	11⅛	
62¼	49½	CurtissWr	1.08	1.7	18	39	59⅛	57⅞	59⅛	+¼
14	11¼	CV REIT	1.16	9.1	10	12	12⅜	12⅞	12¾	
50¼	39	CVS	0.44	0.9	20	5410	47½	46⅝	46¾	-½
10	11⅜	CyprSur			47	5342	13¾	16⅝	13⅝	
38¾	31⅛	CypAmx	0.80	3.2	44	1879	25⅞	24⅞	25	
42¼	33⅞	Cytec			18	369	38⅞	38⅜	38½	+⅛

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1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
25¼	22⅞	DPL Hld	1.86	5.7	13	420	23⅞	23¾	23⅞	
41	22⅛	Dallas Sem	0.14	0.4	24	1348	37⅞	36½	36⅝	-⅛
36⅞	30⅞	Dana x	1.86	2.7	11	2535	u38⅞	36¼	36⅞	+½
39	39	Danaher Co	0.36	0.2	22	229	49⅞	48½	48⅞	-¼
15⅛	11½	Danklnd	0.10	1.3		968	14	18⅞	14	+⅛
9⅞	6¼	Darden			23	3331	u9¼	0	8	-¼
24½	14⅛	DataGn			24	10841	23¾	23	23⅞	+¼
1⅝	⅞	Datapoint			8	449	1½	1⅜	1⅜	
31	35⅞	Daytoff x	0.64	1.2	30	9010	u52⅞	51	52½	+1⅜
1⅜	1⅜	DDL El				830	1⅛	1⅜	1⅛	-⅛
11⅛	5⅞	DeRigoADR			8	216	6⅝	8½	5⅞	+½
40	51	Dean Foods x	0.78	2.0	22	395	38⅝	37⅞	38⅛	+⅞
8⅜	5⅝	DeanWGr x	0.60	7.4		344	8¼	8⅛	5⅞	-
54½	30⅞	Deere	0.80	1.5	15	8020	52⅛	50½	32	
20⅞	16⅞	DelmPL	1.54	0.6	10	172	17¼	17⅝	17⅛	
100¼	60¼	DltaAir	0.08	0.2	9	5567	93¼	01¼	92¾	+1⅜
6	5¼	Delta Wdwd				270	6⅛	5⅞	5⅝	+¼
33½	29¾	Deluxe	7.48	4.8	30	302	31½	31⅛	31⅛	-¼
33⅞	29⅞	Dep Gty	0.80	2.5	14	478	31⅝	31⅛	31⅛	+⅛
32½	26¾	Dexter Crp	0.90	3.1	14	684	30⅞	30⅝	30⅝	
38½	25½	Diag Prods	0.40	1.5	20	68	32½	21⅞	31⅞	+⅛
75¾	55⅞	DiamOffDr			27	3638	u75⅞	73½	74⅞	+¼
27½	4⅞	Diana Corp				z0	4⅞	64⅞	4⅞	
44⅞	28	Diebold x	0.80	1.2	27	2580	40⅞	39⅛	40¼	+1½
38¾	25	DigitE				11417	38⅞	39	35¼	-1⅜
34¾	28	Dillrd	0.16	0.5	15	3887	34½	33⅝	33¾	-⅛
28½	19¾	Dimon x	0.03	2.6	16	204	23⅞	22⅞	23⅞	+¼
85¼	66⅞	Disney	0.53	0.7	30	8688	81⅞	79⅞	80¾	+¼
43⅞	32⅞	DoleFd x	0.40	1.0	24	1190	41⅞	41⅞	41¾	-½
41⅛	33¼	DomRes x	2.58	7.5	12	7112	34½	34⅛	34½	+¼
8½	7⅞	Domtar Inc x	0.14	1.6	3	10	0½	8⅛	8½	+⅛

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
34¼	26⅞	Fed Hm Ln	0.40	1.2	10	8279	u34¼	33½	34	+⅛
28¼	24⅞	Fed Rlty	1.68	0.5	28	211	23⅞	25½	25⅞	+½
0⅞	5⅝	Feddrs x	0.08	1.2	11	1414	6½	8⅛	6½	-¼
87⅞	42	FedExp			18	1902	84¼	53⅛	54⅛	+1
38	21	FedMgl x	0.40	1.6		1760	28⅞	29½	29½	+⅛
27½	23¼	Federal Sg	0.67	2.6	18	418	25¾	25⅞	25⅛	
39⅛	39	FedDepSt			22	7028	98¾	36⅞	36⅛	
38	28	Ferro Corp x	0.62	1.7	18	99	37½	37¼	37½	+¼
19¼	15⅞	FldCas				130	u15¼	18½	15⅝	-½
74	39¼	Fila x	0.38	6.9	0	2178	41⅞	41	41½	-⅛
18⅞	11⅛	FngrhutK	0.16	0.9	18	485	17⅞	17⅝	17¾	-¼
46⅞	30⅞	First Am B	1.25	2.7	13	410	40⅛	45⅞	45⅞	
84½	67½	FstBkS x	1.08	2.3	15	2095	82¾	51⅞	82	-⅜
13⅞	10	FstBkAm			39	z0	u18⅞	13⅞	18⅛	
39	23½	First Brnd	0.32	1.2	36	88	36⅛	25⅞	28	
68⅝	60½	FChiNBD x	1.60	2.7	13	5430	59⅞	58¼	59	+¼
40½	31¼	FstDta	0.08	0.2	27	33475	39¼	38½	38⅞	+⅛
18½	13⅞	First Fst	0.21	1.3		197	19⅞	16½	18⅞	+⅛
18¼	17⅝	Fst Phil F	1.06	10.6		44	14½	14	14½	+⅛
95⅝	72⅝	Fst Union x	2.32	2.7	14	6096	37⅞	86¼	95⅝	+¾
14⅝	11⅞	FstUnRlt	0.44	0.4	41	541	13⅛	13	18	
54⅛	32¾	FirstUSA	0.24	0.5	31	3929	50½	40¼	50⅜	+½
59¼	46½	First Virg	1.56	2.8	16	485	59	58⅞	55⅞	-⅛
32⅝	25⅞	Fimbr Co	0.84	2.6	15	1168	30⅛	29¼	30	+⅛
64¼	46¾	FleetF x	1.80	2.9	14	6674	62½	61½	61⅞	-½
39	24⅞	FleetEn	0.64	2.3	12	681	30	27⅝	27⅝	-⅝
19⅛	15½	FlemCk x	0.90	0.4	27	737	19	18⅛	18⅞	
32⅞	28¼	FlaPrg x	2.10	7.5	11	2490	28⅝	d28⅛	28⅛	-⅛
18.18	11⅞	Flowers	0.43	2.3	20	174	17½	17¼	17⅞	+⅛
51⅛	42¼	Fluke	0.64	1.2	23	640	31⅞	51⅞	31⅛	+¼
75⅞	46½	Fluor	0.76	1.4	16	5248	54⅛	53¾	53¾	+½
74¼	59⅞	FMC Cp			13	953	73½	73	73¼	-⅛
31¾	18½	Fluter				727	22½	22¼	22½	
36⅛	30¾	Ford	1.60	4.4	8	18705	u38⅞	37⅞	38¼	+½
8⅝	8	Fordis x	0.73	8.9		61	9⅞	8¼	8¼	
36⅛	30½	ForBrd	2.00	6.2	10	z0	32½	31¾	32⅞	+½
42½	35⅛	FostWh x	0.84	2.1	20	1890	40⅛	29¾	39⅝	
47⅛	42⅝	FPL x	1.92	4.2	13	2714	46⅞	46⅝	45⅞	+⅛
11⅞	10½	France Gro	0.08	0.7		964	10¾	10½	10⅝	+⅛
8⅞	9⅛	Fcklnd Pr x	0.34	6.2		141	u8¼	6⅝	0½	+⅛
67¼	44.39	Frankl Rs	0.32	0.5	22	1323	68½	65⅞	66¼	-⅛
47⅞	32⅞	FredMeyer			22	307	46⅝	45⅞	46¼	-⅛
6⅛	3¾	FrHwdA	0.16	1.8	40	10	5¼	5⅛	5¼	+¼
5¾	3½	FrHwdB	0.10	2.0	20	20	5	3	3	-⅛
32⅝	26¼	FrMcM	0.36	1.3	32	268	28¼	28	28	
33½	25⅞	FrMcGA	0.90	3.3	24	828	27⅞	28¾	27	+⅛
34⅞	28⅛	FrMcGB	0.90	3.2	31	1024	28⅞	28½	28¼	-⅛
35⅞	28⅞	FresnBn	0.60	1.7	10	282	35½	35⅛	35¼	-⅛
23¾	15⅛	Frontr	0.87	4.7	22	1657	18⅞	18⅛	18⅝	+⅛
44⅞	22⅝	FruitLoom			10	5468	34¼	33⅝	33¾	+⅛
104¼	94	FstAmEnt x	0.80	0.8		2571	103¼	102¼	102½	+½
23	18⅞	Fuqua Ent			12	10	18¼	19¼	19¼	-⅛
27½	20	Furon	0.24	0.8		247	u28⅛	27¼	28¼	+1⅜

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1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
59⅞	47½	GATX	1.84	3.3	11	527	56¼	55⅛	55⅛	-⅜
6⅞	3¾	GRC Intl				285	5⅛	5	5⅛	+⅛
49⅞	41⅛	GTE x	1.88	4.3	14	18128	44⅞	43½	43⅝	-1⅜
19⅞	10⅛	GTE F 1.25	1.25	0.5		z0	u16¼	19¼	19¼	
9⅞	8⅜	Gabelli Eq	1.08	10.3		540	9⅞	8⅞	8¾	
33½	29¾	Gallghr	1.24	4.0	11	153	31½	31¼	31⅜	-¼
93¾	71⅞	Gannett x	1.44	1.8	10	2883	93⅝	92⅝	92½	-½
36¼	28	Gaptnc x	0.30	0.8	21	3258	35⅛	33¼	34⅝	+1⅛
26¼	20⅛	GaylrdEntA x	0.40	1.8	25	668	22¼	22	22¼	+¼
44¾	34⅝	GC Cos			10	31	43⅝	43⅞	43⅝	+⅛
32⅜	17⅝	Gencorp	0.60	2.7	11	1778	u22¾	21¾	21⅝	

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
22½	20⅞	GnAmIv	0.29	0.9		823	u22½	22⅛	22½	+⅛
75⅛	63⅛	GenDyn	1.64	2.2	18	714	74⅝	73¾	74⅛	+⅛
66½	47⅞	GenElec	1.04	1.7	26	21758	61⅞	60¼	60⅞	-½
4⅞	2½	Gen Host				50	3⅞	3¼	5⅛	
10⅞	8½	Gen Housew	0.32	3.3		18	10	0⅞	8⅞	-⅛
66⅞	57⅞	GenMill	2.00	3.3	20	5501	60⅞	60	60½	-⅝
63¾	53⅛	GenMtr x	2.00	3.5	7	12786	57	56¾	56¾	+⅛
64⅞	40	GenMtrH x	1.00	1.8	28	3387	55⅞	54⅛	55¼	-¼
177¾	151	GenRe	2.20	1.3	15	1580	176	173¾	175⅜	+1⅞
46¾	39⅞	GenSig	1.02	2.3	36	533	44	43⅛	43½	-⅛
59¼	59¼	Genentech			80	423	59⅞	58⅞	59⅞	-⅛
25⅞	21⅛	Genest				668	24⅛	23⅞	23¾	-⅛
15⅛	8½	Genesco			21	1172	14⅞	13⅞	14	-⅛
3⅝	2	Geneva St				1817	3	2½	3	+⅛
23¼	11⅞	Genzyme Inv			15	471	18⅞	18⅛	18⅞	+¼
34	28⅞	GenuPt x	0.96	2.8	38	2184	33¾	33	33¾	+½
29	23	GrgiaGlf	0.32	1.2	14	543	27⅞	27⅞	27⅝	+½
80	21	GrgiaP	2.00	2.3	30	1488	87⅞	86¼	87¼	+⅛
19	13⅞	Gerber Sci	0.32	1.7	28	198	18⅞	18⅛	18⅞	
14½	12½	Germany Fd	0.43	3.4		43	14	13⅞	74	
17¼	7⅜	GettyR	0.12	0.7		40	u17½	17	17¼	+⅛
8⅞	6½	Giant Grp			2	z0	7	7	7	
15⅝	10	Giant Inds	0.20	1.4	36	479	14¾	14⅛	14⅞	-⅛
89⅞	72	Gillte x	0.80	7.6	39	9142	89⅛	87¾	88⅞	+1¼
8¾	8¼	GlmisGld	0.36	1.5	38	340	8¾	8⅞	8¾	+⅛
42½	28⅞	GlaxoW	1.15	2.8	20	3645	35¼	38⅞	35¼	-¼
39¼	21⅞	Gleason Co	0.50	1.2	18	182	u40⅞	39¾	40⅞	+1½
22½	16⅞	Glob IndT			19	224	19¼	18⅞	19⅛	+¼
28¾	17¼	Global Mar			18	12881	24⅛	23¼	23⅞	
76	58⅞	GldnFn x	0.44	0.6	38	1585	69	68⅞	68½	+¼
44	35⅞	Gdrch x	1.38	2.5	22	1000	u44	43⅛	44	+⅜
59¾	46⅝	Gdyear x	1.12	1.9	75	3580	35⅛	58½	58½	
6½	5⅞	Gottschalk			28	7	5⅞	5⅞	5⅞	
38	30⅞	GPU	2.00	5.0	12	938	34½	34⅛	34⅞	-⅛
57½	44⅞	GraceW x	0.58	1.1	20	1285	52⅞	51½	51⅞	-⅛
82½	78½	GraigW	7.98	7.4	19	1253	79½	78⅞	78½	-1
14⅞	8	GtCaninc				1122	13⅞	13	13⅛	
30⅛	20	G Mar	1.12	3.0		394	87⅞	37	37⅞	+⅛
32⅞	23⅞	GtNPT	0.48	1.5	14	806	27½	32½	27½	+⅛
50¼	41½	Gt Lakes C	0.60	1.2	12	886	40⅞	40⅞	40	+⅛
59½	51	Gt Nth Ir	8.00	10.8	9	28	58	58½	58½	-1⅜
48⅞	29⅞	GtWFin	1.00	2.1	73	15986	u48⅞	48⅛	48½	-¼
25¼	22⅞	Green Mt P	2.12	8.8	11	143	24	23⅞	24	
41⅞	28⅞	GnTree	0.08	9.8	72	3857	38⅛	35⅛	35⅝	+¼
64½	48⅛	GrpoFin x	1.80	1.6	18	1434	62½	62	62¼	
14¾	11⅞	Griffon			14	187	14⅛	13⅞	14⅛	+¼
14⅝	12⅛	Growth Spn	0.17	1.2		297	14½	14	14⅛	
7⅞	4⅞	GrTelADR				3708	4⅞	44⅞	4¾	-⅛
77⅞	61⅞	Gucci	0.24	0.5	24	4134	88⅝	66⅝	67	+⅛
78¼	53⅞	GuidantCp x	0.38	0.1	78	3257	u78⅞	77⅞	78	+⅛
20.78	17¾	Guilford M	0.44	2.3	11	148	19¼	18⅞	19	

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1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
22⅞	15⅞	HK Tel ADR x	0.99	4.4	18	887	22¼	22	22¼	+⅛
16⅞	16	HRE Props	1.24	7.3	71	19	77	16⅞	17	+¼
32	59⅞	Haliton x	1.00	1.2	36	7875	u82½	80⅞	32⅞	+¼
28¾	15⅝	Hallwood			5	8	27½	27⅛	27⅛	
13¾	10⅞	Hcock Fab	0.32	2.9	21	422	12½	12⅞	12⅞	-⅛
15½	14⅞	Hcock Inc	1.20	7.9	19	36	15¼	15⅛	15¼	+⅛
21¼	19¾	Hcock John	1.59	7.7	26	39	20⅞	20¾	30⅞	

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
11½	8⅛	IndoFd				z0	10½	19½	16⅛	
59	41⅞	IngRnd	0.38	1.5	10	2607	u56	54⅞	55⅞	+⅛
27⅛	16⅛	InldSt	0.20	0.8	16	2448	25⅛	25	25	
24¼	13¾	InputOutp			28	988	17¾	17⅛	17⅝	+½
18⅞	18⅞	IntSteph x	0.25	1.5	16	4	17	17	17	
6¾	4⅛	Intellicall				13	5⅞	5¼	5¼	-⅛
16⅞	15½	Intercap x	1.32	8.4		101	15⅞	15¾	15¾	
4⅛	2⅞	IntIgra			14	312	3⅞	3¼	3⅞	
01⅞	64¾	IBM x	0.90	1.0	13	31115	84⅞	52⅞	62⅞	
32¼	15⅛	IntFrnB			44	1107	31	30⅞	31	
47⅛	40	Int FF	1.44	2.8	28	1453	44⅛	43⅝	44	+⅛
28½	17¼	IntMult	0.90	2.0		448	37⅞	26⅞	27⅛	+⅛
48¼	38⅝	IntPap x	1.00	2.0	8	12177	u49½	47⅞	48⅛	-1⅜
60⅞	47	Intpub x	0.70	1.3	22	1102	59⅞	59¼	66⅝	-⅛
46⅝	33⅞	Interra	0.72	1.7	9	157	42⅞	42⅛	42⅛	+⅛
20¼	13⅞	IntactIns	0.16	0.8	12	28	u20¼	19¾	19¾	-¼
39¼	27⅞	InterPw x	2.08	7.1	36	68	29⅛	25	29⅞	+¼
4⅞	3¼	InterTAN				267	3¾	3½	3⅞	+¼
19⅞	7⅝	IntlGameT	0.12	0.6	17	9686	19½	18½	18¼	+⅜
17⅞	16⅞	Int Rectif			27	2205	16⅞	36	16⅞	-⅞
6⅞	6⅛	Int Techn				240	8⅞	0	0	
21½	14½	Iomega Cp			38	43284	21⅞	20	20¼	+⅛
52	44⅝	Ionics			28	246	48¼	47⅞	40⅛	+½
32⅝	30½	Ipalco Ent	1.00	3.2	15	805	21½	21¼	31½	-⅛
16⅛	14	Idah Iowa	0.22	1.4		35	16⅛	10	16⅛	
17½	11⅝	Isomedix			17	64	17½	16¼	19⅞	-⅛
18½	8¼	Italy Fund	0.24	2.8		245	9¼	0¼	8⅞	
61½	41⅛	ITT Cp			22	6942	59⅝	58	58⅛	-1⅜
26⅛	22⅛	ITT In x	6.50	2.4	12	4664	29⅝	24⅞	25¼	+⅛

- J -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
52½	48¾	J River Pf	3.38	8.4		11	52½	52	52½	+⅛
12¾	8⅛	Jackpot En	0.32	2.9	18	883	12	11¼	11⅞	-⅛
28½	21¼	Jacobs Eng			16	284	26⅝	26¼	26¼	-⅛
9⅝	6¼	Jakarta Gr				6	9¼	6¼	9¼	+⅛
7⅞	5⅞	Jap Otc	0.04	0.6		152	7⅝	7	7⅛	
64½	51½	JeffP x	1.88	2.5	13	369	64	62⅞	63⅞	+⅞
103¼	100½	JrsyP7.88	7.88	7.7		z0	102¾	102¼	102¼	
21¾	11½	JLG Ind	0.02	0.1	14	1647	16⅛	15½	16⅛	+⅛
12⅞	9⅞	JostArt	0.12	1.1		39	11⅛	11⅛	11⅛	
45½	35⅞	JhnCn x	0.86	2.0	18	6308	42¼	41½	42⅛	+⅛
62¾	48¼	JohnJn x	0.88	1.5	26	16581	60⅛	59¼	58⅞	
8⅛	6½	Johnson v	0.40	3.9		145	6⅞	6¼	6¼	-¼
25⅞	19¼	Jostens In	0.88	3.5	27	438	25	24⅞	24⅞	+¼

- K -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
31½	26½	KLM R Dtch	1.02	3.5		1132	29⅛	29¼	28⅞	+⅜
42½	36⅛	KN Energy	1.08	2.6	10	972	41	40⅝	41	+⅛
98	79	KanCt 4.5	4.50	4.7		z0	39	39	95	
31¼	27⅛	KanebP Pf			11	0	29¼	29⅞	22¼	+¼
10¾	8½	Kaneb Sv	0.86	8.4		z0	10¼	10¼	10¼	
4½	3⅛	Kanep Serv			16	127	4	3¼	3⅞	
39¾	27⅞	KanCyP x	1.62	5.8	20	310	28⅛	27⅞	27¾	-¼
18⅞	15½	KanCyS 4⅛ x	1.30	6.5		z0	15½	d15½	15½	
57⅛	43⅞	KansasS In x	9.40	0.7	13	629	55⅛	54¼	54⅞	
17⅞	13½	Katylnd	0.30	1.9	11	21	16¼	16¼	16¼	
15⅛	72¾	KaufmanBr	0.30	2.6		124	15	14⅞	15	+⅛
50¾	41⅞	Kaydon	0.56	1.1	13	197	u50⅞	50	50	-⅛
0⅞	8¾	KI Bev Asc v	0.78	6.7		11	9⅛	9	0	
77⅞	64	Kellogg x	1.68	2.2	33	3365	76⅞	75	76½	+1½
27⅛	18⅞	Kellwood v	0.64	2.4	13	416	27	26⅞	27	-½
11⅛	10	Kemp Munic	0.87	8.3		32	10⅞	10⅞	10½	+½
10⅛	8½	Kemper HI	0.66	3.0		200	10⅛	10	10	
13⅞	12½	Kemper Mun	0.87	0.4		331	u13⅞	13⅞	13⅞	-½

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
43⅛	33⅞	Kimco	0.68	1.7	15	103	40⅝	40¼	40½	+⅛
75	55½	KerrMc x	1.08	2.8	13	1308	60	64½	64⅛	-¼
55½	47⅞	KeyCp x	1.60	3.1	13	2301	55½	54¼	54⅞	+⅛
8⅞	8	Keystn Con			12	4	9⅛	8⅛	8⅜	-⅜
33¼	17⅞	Keystn Int	0.74	2.3	27	1044	33⅞	32½	32⅞	-⅛
56⅞	40⅛	KimbCl x	0.96	1.9	19	11392	52⅞	50⅞	50⅞	-⅛
40⅛	36	KingWd			9	595	36⅞	35⅞	36	-⅛
18⅞	18⅛	Kirby Crp	0.10	0.5	18	151	u19⅞	19⅛	19⅛	-⅛
14⅝	10⅛	Kmart			22	31721	13⅝	13¼	13⅜	-½
44	35⅛	KnRdd	0.80	1.8	18	1640	43⅞	43½	43⅝	
15½	10⅞	Kollmorgen	0.08	0.8	14	103	13⅞	13½	13¾	+¼
17⅞	11¾	Korea Fd	0.90	0.4		1562	14⅝	14⅛	14½	
28½	22⅞	Kroger			19	12974	27½	28⅞	28¾	-⅛
35⅞	29⅞	KU Energy x	1.76	3.0	18	463	36	34⅞	34⅞	
29½	17⅛	Kuhlman Co	0.60	2.2	20	600	27⅞	27⅛	27¾	-⅛

- L -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
2¼	1⅛	LA Gear				54	1⅞	1½	1½	-⅛
25⅞	22¼	LG & E En	1.15	5.0	13	1806	23⅞	23⅛	23⅛	-⅛
46⅞	25⅛	LSI Lgc			35	13851	30⅞	30⅞	30½	
23⅞	16⅞	La Quinta x	0.07	0.3	21	2525	u24⅛	23⅞	23⅞	
36⅞	29⅞	LaZBoy x	0.84	2.3	14	273	36⅞	36	36⅛	+¼
24⅞	20¼	Laclede Gs	1.30	5.9	11	39	22½	21⅞	22½	+¼
25¼	20⅛	Lafarge	0.40	1.8	12	947	25	24⅞	23	+⅛
8½	6½	Lamson & S	0.30	0.6	7	148	8	7⅞	7⅞	
30⅞	25⅛	Lands End	0.20	0.7	21	137	30	29¼	29⅞	-½
12¾	19⅞	Lawter Int	0.40	3.4	18	135	11¾	11⅞	11¾	+⅛
38⅞	33¼	Lear Corp			14	1058	38⅞	37¼	37⅞	-⅛
27½	31⅞	Leeenet x	0.10	2.8	14	8	27⅞	27⅛	27⅛	+⅛
25¾	22¼	Lee Enterp x	0.62	0.6	20	18	25½	25⅛	25½	+¼
91⅞	87¾	Legg Mason	0.52	1.1	14	278	46⅞	45¾	16⅛	+¼
40⅛	31⅝	LeggPl x	0.52	1.3	25	1510	u41¼	40⅞	41	+⅜
41¾	28¾	Lehman	0.24	0.0	36	7154	39⅝	38	38¼	+1½
27¾	24	Lennar Crp	0.10	0.4	18	204	26⅞	26¼	26⅞	+¼
4½	8⅞	Lbtelcor			57	57	4½	4	4	-⅛
12⅝	11⅞	Liberty AS x	7.28	38.2		489	12½	12⅛	12⅛	
43⅞	37⅞	Liberty Cp	0.80	2.6	18	99	40⅛	39¾	40	+¼
30	71½	Lilly x	1.44	1.3	32	11060	94¾	92⅞	93⅛	
21¾	16½	Lilyind	0.32	1.5	24	76	20⅞	20⅛	20⅞	+⅛
20¼	16½	LimitdI x	0.48	2.5	12	4058	19½	19¼	19⅛	-⅛
62¾	49	LincnNt	1.96	3.1	12	1980	u64½	61⅝	32¼	-⅜
19¾	19¾	Lincn NtFd	2.72	14.7		58	18⅞	18½	18½	-⅛
54	59¾	LongIL Pf8	5.00	6.0		z0	u84	54	54	
47¼	38⅛	Litton			14	926	u47¾	40⅛	47⅞	+1
47⅞	38⅛	LizClb	0.40	1.0	28	1409	46	45⅞	40	+½
8⅞	4½	LL&E Rty x	0.32	6.2	6	264	5⅛	5	8⅛	+⅜
94⅞	78¼	LockhM x	1.68	1.7	13	1781	93⅞	61⅞	98⅞	+1⅜
41⅛	27½	Loewen Gp	0.18	0.5	37	3788	34⅞	24⅞	34⅞	
112⅞	85½	Loews	1.00	1.0	0	1402	97⅞	95⅞	97⅛	+1⅛
50⅞	33¾	Logicon	6.24	0.5	21	855	58⅞	50¼	50⅞	+⅜
24½	21⅞	LoisU	1.78	7.6	10	1072	23	22⅞	22⅞	-⅛
27½	22⅞	LngDr x	0.56	2.3	18	390	24½	24⅞	24¼	+⅜
10	15	Longview F	0.84	3.0	25	477	16⅞	16½	16½	-⅜
50¼	45¼	LoralL x	0.24	0.5	21	1319	52½	51¾	21¾	-⅞
22	17	LouisP	0.55	2.9		509	19½	10¼	19⅞	+⅛
40¼	31⅝	Lowes	0.22	0.8	20	11181	38¼	37⅞	57¾	-½
14½	11⅝	LTV x	0.12	0.8	12	2110	14⅛	14⅛	14½	-⅛
37¼	30⅛	Lubrzl x	1.08	2.7	12	1002	37⅛	36⅞	37	
21⅛	17⅞	Lubys Cafe	0.80	4.2	12	148	19¼	19⅛	19¼	+⅛
64⅝	44⅞	LucentTch	0.38	0.5		11510	64¾	62⅞	63½	+⅞

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
11⅞	6⅛	MorganGren	1.11	10.4		382	19⅞	10½	10⅞	
39	77¼	MrganJP Pf	0.80	6.3		15	u80½	79¼	79½	+¼
22	15⅞	Morgan Kgn	0.52	1.7	11	120	18½	18⅞	10½	+¼
6⅝	6¼	Morgan Pr			11	182	9	5¼	8⅞	+⅛
44	32¾	MgStDW x	0.36	1.3	14	8293	42⅝	41½	42½	+1
13⅞	0¼	MorKnud				4581	u14⅛	13⅝	14⅛	+⅛
69¾	54	Mtrola	0.40	0.7	38	11844	66½	65¼	65⅝	+¼
9½	8⅞	MnPaIT x	0.60	6.5		57	6⅛	9¼	9¼	-⅛
11⅞	18½	Munlnhanc	0.70	0.3		68	11⅞	11	11	
54¼	43	MurphyO	1.30	2.7	15	724	40⅛	47⅞	40⅛	-⅛
18¼	11½	Mylan Labs	0.16	1.1	28	1257	15¼	14¾	15	+⅛
15⅛	11⅞	MYR Gp x	0.22	1.5	11	0	14⅞	14¾	14⅞	+⅛

- N -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
58¾	56⅝	NCH Corp x	1.20	1.9	13	24	64¼	53¾	63¾	-½
44½	36	NabiscoA	0.82	1.8		4261	39	38½	39	+¼
43¾	33¼	NAC Re	0.24	6.6	10	804	40	39⅝	40	+⅛
55⅞	44⅞	Nacco x	0.10	1.5	11	174	81⅛	50⅞	51	+⅛
38⅞	34⅛	NalcoCh x	1.39	2.7	17	368	37½	37⅛	37¼	+⅛
12	11¼	Nashua			4	65	11⅞	11⅞	11⅞	
12⅞	7⅞	NatAutoCr			9	1704	9⅛	8⅛	8⅞	+¼
68	40	NatnBk x	1.32	2.1	14	2095	32¼	30	61¾	+2⅛
24¼	19⅞	NwideHlth x	1.58	7.3	15	679	21⅝	21⅛	21¼	-⅛
72¾	58⅛	Nat Austra	3.42	4.8	12	233	72⅛	71¾	71⅞	-⅛
54⅝	43½	NtCity	1.84	3.2	15	3537	51½	50⅞	50¾	+¼
47½	33¼	NtData	0.30	0.7	20	245	44⅞	43⅞	43⅞	
21	12⅞	Nat Educa			32	48	u21⅛	20⅞	21	+⅛
44⅞	39⅞	Nat Fuel	1.68	4.0	14	282	42½	41⅞	43	
40½	35⅞	Nat Presto	2.00	5.3	17	58	37⅛	57⅞	37½	+⅛
32¼	31⅞	NtSemi			78	26867	29⅞	27⅞	28¼	+¼
44⅞	36¼	NtServ	1.20	2.7	18	689	44½	44½	44½	-½
9⅝	6½	Nat Stand				z0	6¾	8⅛	0½	
28	20	Natuzzi	0.10	0.4	23	3	23½	25⅞	25⅞	-½
18	0	Navstr			27	5800	u18⅞	17½	18½	+¾
00	38	Navstar G	6.00	10.1	-	22	59⅞	60¼	60⅝	+½
28½	20⅞	Neiman Mar			24	1005	38	24½	24½	-⅞
20⅞	11¼	NtWork Gd			18	254	17⅝	17⅛	17⅛	-⅛
21	19⅞	Nevada Pw	1.60	7.9	12	711	20⅞	20⅛	20¼	-⅛
5⅛	4⅞	New Am Hi	0.58	10.6		300	u5⅛	5	5⅛	+⅛
29⅞	19⅞	NEngBus	0.80	2.8	21	378	29⅛	28⅞	28¾	-⅞
35⅞	33¼	NEngEl	2.36	6.8	10	2302	34⅞	34⅞	34⅝	+⅛
15⅞	12⅞	New G'many	0.37	2.4		118	15⅛	15¼	15¼	
32½	28⅛	New Jsy Rs	1.80	4.9	15	276	u33⅛	32⅞	32½	
25½	21¼	NwPlanRlt	1.44	0.0	18	302	22	21½	21¼	-⅛
24½	20⅝	NYSEG	1.40	6.5	10	855	21¾	21⅞	21⅞	+⅛
43½	27¼	NewhNet			91	6628	40⅛	39⅞	40⅛	+1⅛
38⅞	30⅛	Newell x	0.64	1.7	22	2234	37⅞	36⅞	37¼	+⅜
20⅝	18½	Newhall	0.40	1.9	15	419	u20⅞	20½	20⅞	+⅛
49	24⅞	NewmtG x	0.48	3.4	39	1230	30⅞	37⅞	38¼	+⅞
47½	33½	NewmtM x	0.48	1.3	38	3594	37⅞	36⅞	37⅞	+⅞
22	17⅞	News Corp	0.05	0.5	6	8687	17⅝	17⅞	17⅞	+⅛
43½	37	NiagM3.6 x	3.60	8.5		z0	u43½	43½	43½	
11½	0	NiagM			0	2841	0½	8¼	6⅞	-⅛
78⅞	51¼	NikeB	0.40	6.7	20	10174	58¼	54⅞	55⅛	-⅜
41	36⅛	Nipsco Ind	1.80	4.4	13	478	40¼	40⅛	40⅛	+¼
13¾	8⅛	NL Ind				38	13	12½	12¾	-⅛
50	22¼	NobAf	0.16	0.4	20	1450	43⅛	42½	42⅞	-⅛
23¼	15⅞	NobleDrl			31	14568	23	22¼	23	+¼
15¾	14¼	NoramE x	0.28	1.0	20	806	15	14⅞	15	
4⅞	2½	Nord Res				450	3¼	d2½	2½	
98¼	84⅞	NorfkS x	2.40	2.5	16	2062	u98⅞	97¼	97⅞	+⅛
57⅞	45⅞	Norsk Hydr x	0.63	1.0	13	251	52	51¼	81⅞	+⅝
27½	17¼	Nortek Inc	0.10	0.4	14	39	24⅞	24	24¼	-⅛
21⅞	16⅞	Nth Fork	0.36	2.3	14	808	u21⅞	21¼	21⅛	
14½	7⅞	NE Ut				538	0	8⅞	8⅞	-⅛
49½	44⅞	NSPw	2.76	5.7	12	1527	48⅛	48	48½	+¼
87⅞	60½	NTele x	0.52	0.6	40	3918	u89⅞	87	87½	+½

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
1⅛	⅜	Nortgate			7	114	4⅞	⅞	⅞	+⅛
87½	71⅞	Nrthrp x	1.60	1.9	18	2861	83½	82⅞	83	+¼
20⅛	16⅞	Nthn Pub	0.92	4.7	17	87	19¼	19⅛	19⅛	+⅛
64⅛	43¾	Norwest	1.20	2.2	17	5983	u54¼	53⅞	54	+⅜
9¼	7½	Novt	0.22	3.8	0	213	8½	8⅞	8½	
14⅛	9⅞	Novacare			15	686	12⅞	12⅛	12½	
55½	43⅞	NovoNB	0.21	0.4	28	10	54⅛	53¾	54⅛	+⅛
17	15⅜	Nu CA Mun	1.01	6.2		14	16½	16⅞	16⅜	
58½	44¾	Nucor Corp	0.40	0.7	19	1908	58	57¾	57⅛	+½
23⅞	18	NUI Corp x	0.94	4.4	14	88	21¾	21½	21½	-⅜
12⅞	11⅞	Nuveen M I	0.76	0.2		28	u12⅞	12¼	12¼	-⅛
10⅞	10	Nuveen N M	0.01	5.7		181	10¼	10⅝	10⅝	-⅛
21⅞	18	Nymagic	0.40	20.	8	39	20	19⅞	20	+¼
55¾	42¾	Nynex	2.36	4.4	18	5690	54⅞	53¾	54⅛	-⅛

- O -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
9⅛	2⅛	O N M Co			18	172	8⅞	7⅞	8⅛	+⅛
25⅝	16¼	Oak Inds			25	197	25¼	25⅛	25¼	
23	18⅞	Oakwood Hm	0.04	0.2	15	1174	24¾	22½	23⅞	-⅞
26⅞	21¾	OccidP	7.00	4.2	12	4871	23⅝	23⅛	23⅞	+¼
23¼	13⅛	OfficeDepot			31	30704	17¾	16⅞	17⅞	+1
22⅞	18½	Ogden	1.25	6.4	14	207	19⅝	19⅛	19½	
23⅞	18¼	OhioEd x	1.50	7.8	8	648	20¼	20⅞	20⅝	-⅛
61	56½	OhioEdA 4	4.40	7.7		140	57½	57½	57½	
64	57½	OhioE4.56	4.56	7.5		z0	60½	60½	60½	
43½	40½	Ohmh GAE	2.86	6.2	72	108	42⅞	47⅞	42⅞	
30⅛	24⅞	OldRepInt x	0.52	7.8	11	1300	29⅞	30¼	29½	+½
43¾	35⅞	OlinCp x	7.20	2.8	7	104	41⅞	40⅞	41⅛	+¼
19¾	14⅞	Olsten	6.20	1.4	51	958	19½	19	19½	+½
32¼	22⅞	Omnicare x	0.07	0.2	42	944	28	28¼	28⅞	-¼
58⅛	44½	Omnicom	0.80	7.3	25	669	u60	58¼	30	+1
25	77¼	Oneida Ltd	0.52	2.1	14	149	u25	24⅞	24¾	-¼
31⅛	25⅞	Oneok	1.20	4.0	14	200	30⅞	30¼	30⅛	+⅛
38½	32¼	Oppenh Cap	3.40	9.3	17	194	57¼	36⅞	36⅞	-⅛
16¼	8⅞	Oppenh M II	6.80	8.7		161	u16⅞	16⅝	16¼	
8⅛	7⅛	Orange Co	0.70	7.3	10	11	7⅝	7⅝	7⅝	
36⅞	30⅛	OrangeRk	2.50	8.0	12	257	32½	22⅞	32¼	-⅛
20⅛	15¼	Oregon Stl	0.58	2.7	21	608	u20⅝	19⅞	20⅞	+⅛
89⅞	80	Orion Cap	1.12	7.0	10	308	71	89⅞	70	+1⅛
27½	17¼	OryxEn			12	4364	23¼	22⅞	22⅞	-⅛
17⅞	10¼	OutbdMar				130	14¾	14⅝	14¾	
19⅛	19¼	OvShp	0.60	3.4		64	18¼	17⅞	17⅞	-½
13⅞	8⅛	OwensM	0.18	1.3	37	673	u15⅞	18⅞	13⅞	-½
48½	36⅞	OwensC	0.25	0.6		933	42½	41⅞	42¼	-⅛
31⅞	21⅛	OwensI			17	4228	31½	30¼	30⅛	-1½
28½	30	Oxford Ind	0.80	3.3	11	130	24	23¾	24	+¼

- P - Q -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
58½	48⅝	PPG In x	1.32	2.3	14	1026	57	55⅞	56⅝	+¼
14⅛	12⅞	PS Group			8	119	13½	13	13⅛	+⅛
15¾	14¼	Pac Am Inc x	1.18	7.9		3	14⅞	14⅞	14⅞	
14⅞	11⅛	Pac Scien	0.12	0.9	30	90	13⅞	13⅞	13½	-⅛
46¾	40⅝	PacCan x	1.20	2.0	13	285	46⅝	46⅛	46¼	
21⅞	19¼	PaEnt	1.08	5.4	12	6805	30¼	19⅞	19⅞	-¼
33⅞	29⅞	PacEnt	1.32	4.6	14	2198	33	32¼	33	+¼
38	27¼	PaineW x	0.60	1.7	8	1557	35½	34⅞	36⅛	+⅜
28⅛	20¼	Pall	0.59	2.3	37	4811	24¾	23½	24⅞	-1⅛
47¼	41¾	Pan En x	9.96	2.0	18	2743	47⅛	46⅛	41	+⅛

- R -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
36⅞	30½	RLI Corp	0.80	1.8	0	948	31½	d30½	30⅞	
13¾	10¼	ROCTaiwan x	1.20	19.7		880	11¼	11¾	11¼	-1
87⅞	71½	RalsP x	1.20	1.4	22	1640	83⅞	82⅞	82⅞	-1
18¼	16⅛	RancoGr	1.68	0.5	41	45	17¾	17⅛	17⅝	
80½	60¼	Rayonr x	0.36	0.8	12	736	75¼	73⅞	73⅞	
28⅞	10.71	RayJames F	0.32	1.2	0	413	28	27⅞	27⅛	
43⅞	36¼	Raychm	1.20	2.8		130	43⅛	42⅛	43	
31¼	41⅞	Raythn	0.80	1.8	14	3421	48	48½	48⅞	
41	22⅛	ReadDA	1.36	7.2	13	1574	25	74⅞	24⅞	
32¼	20¼	RealEst			21	4009	26⅞	26¼	26½	
52⅞	30⅞	Reebok	0.08	0.7	16	476	40⅝	30¾	40½	
12¾	8⅞	Reliance	0.32	0.5	26	2254	12½	12¼	12⅞	
68½	54	RelStr	1.24	1.8	13	457	u67¼	66⅛	67⅛	+1
44¼	87⅝	Repsol ADR	1.02	2.4	13	1032	43½	42½	43	
101¾	79¼	RepNY	1.84	1.8	13	2533	u101¾	99¼	100	
42⅝	20¼	Revlon A			65	881	41⅛	40⅞	41¼	+1
17¾	7⅞	RexStores			14	15	10⅞	10¼	10¼	
20¼	15⅞	Rexel			15	307	18¼	10	18⅞	
15	12⅞	Rexene Cp	0.10	1.1	0	230	14⅞	14⅞	14⅞	
30⅞	18⅞	ReynRA x	0.82	1.4	19	1418	23⅞	23	23⅛	
36⅞	50¼	ReynMt x	1.40	2.0	44	1148	68⅛	39¼	68⅞	
78⅞	68	RhonePRor	1.20	1.0	28	5124	u78⅞	77½	78⅛	
49¼	37⅞	RiteAid	0.80	1.8	10	4379	45	45¼	45⅜	
36⅞	27	RJR Nb	2.00	0.5	17	13332	32¼	31	31½	+1
38¼	17½	RMI Ti			11	265	23¼	22¾	23	
44¾	33⅞	Robert Hal			40	751	44⅞	44½	44¼	
20⅞	18	RochGE	1.80	0.0	8	191	u20⅞	20⅛	20½	
70⅞	50¼	Rckwll	1.16	1.0	21	10230	62⅞	60½	61⅝	+1
1	⅜	RodnRenw	0.01	2.3		z0	⅜	⅜	⅜	
94⅞	70⅝	RohmH	1.60	2.1	15	431	80¼	86⅛	86⅞	
23	14⅛	Rohr				2583	22	21⅞	21⅞	
3⅞	1⅝	RollinsEnv				557	3	2⅞	3	
20	18⅞	Rollins x	0.60	3.1	32	41	19⅞	19⅛	19⅛	
14¼	12¼	RollinsTrk x	0.20	1.4	18	1287	u14⅞	14⅛	14⅞	
30⅞	25⅛	Rouse	1.00	3.5		950	28⅞	28⅞	28⅞	
28⅞	18⅛	Rowan			31	5300	24½	23⅞	24⅛	
106⅞	108¼	RDutch	0.53	2.8	19	4278	108⅛	106⅞	108⅞	
13¾	77½	Royce Val	1.15	6.3		214	u13¼	13⅛	13⅛	
28⅛	21⅞	Rubrmd	0.60	2.1	29	3717	28⅞	28⅛	28⅛	
17½	13¼	Ruddick	0.32	2.1	14	306	13⅞	15	15⅛	
24½	17⅞	RussBerrie x	0.65	3.0	18	243	22⅛	21¾	21⅞	
38½	25	RussCp	0.52	1.0	15	1119	32⅛	31⅞	32	
33¾	27½	RyderS x	0.60	1.8		1909	32⅞	32⅛	32⅞	
14	11⅛	Ryland Grp	0.16	1.2	14	388	13½	13⅛	13⅝	
⅞	⅜	RymerFds				z0	⅝	⅝	⅝	

- S -

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev Close
30½	25½	SAnteRt	0.80	2.8		54	28⅞	30⅞	28⅞	
74½	58¼	SPS Tech			19	98	73⅞	73¼	73⅞	
13⅞	11½	Sabine Rt	2.20	10.4	8	230	u14	73⅞	14	
32⅞	18⅞	Safeg'd Sc			42	475	27⅞	27½	27½	
18⅞	14¼	SftyKl	0.36	2.3	15	230	15⅞	15½	15⅞	
52	42¼	Safeway			22	6881	49¼	48⅛	48⅞	
93	63¾	StJoeCorp	8.20	0.2	62	301	92⅞	81¼	81⅞	
17¾	19	StJoeLP	0.18	0.0	12	48	18⅞	18¼	18⅞	
74½	57⅞	StPaul	1.86	2.5	10	1840	[illegible]	74⅞	74⅞	
38¼	10⅞	Saks Hldg			26	1875	34⅞	33⅞	34	
5⅞	3	Salant Cp				310	3⅛	3⅛	3⅛	
134	38	Sallie Mae x	1.76	1.4	15	318	122⅛	120⅞	121⅞	
17¼	14⅞	Salomon Br			94	590	16⅛	16½	16⅞	
61¼	46	Salomn	0.64	1.2	7	4160	53⅛	52⅛	52⅜	

Continued on next page

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4 pm close June 5

NYSE PRICES

Continued from previous page

1997 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chng Prev. Close
16	12⅛	SantaFeERs				2520	15½	15¼	15⅜	-⅛
39¼	34⅜	SFePPipe	3.00	7.9	8	42	38	37½	37¾	+¼
43¾	36⅝	SaraLee x	0.84	2.1	20	8612	41¼	40½	40¾	+½
59	49⅞	SBC Cm	1.72	3.2	18	6790	57¼	56⅛	56¼	-1
26⅞	23⅞	Scana Corp	1.51	6.0	12	678	25⅛	24¾	25	+¼
9	7⅛	SchawkA	0.26	2.9	34	57	u9⅛	8⅞	9	
62	44½	ScheringP			22	279	53	52½	53	+¼
45⅛	31¾	SchlM	0.76	1.7	25	13270	45¼	43⅞	44½	-⅛
124⅝	90	Schlmb x	1.50	1.2	53	8656	124½	121½	124	+1½
42	30⅝	Schmb(C)	0.20	0.5	28	5657	39⅝	39¼	39⅝	+⅛
37⅛	29⅞	SchwMaud x	0.20	1.6	14	307	u37⅛	36⅞	36⅞	-⅛
19⅞	14¼	ScottdA x	0.06	0.3	53	1616	19	17¾	17¾	-⅛
29⅛	23	Scotsmn	0.10	0.4	14	132	26⅝	26½	26⅝	+¼
13⅞	10⅞	ScuddrNAeF	0.03	0.2		300	13¾	13½	13¾	
16⅛	13⅝	ScuddrNEsF	0.06	0.4		53	15⅝	15½	15⅝	
21½	15⅛	SeaCntA	0.77	3.6	16	152	u21⅞	21⅜	21½	+¼
19¾	15⅛	SeaC1.625 x	1.48	8.1		z0	18	18	18	
56¼	37⅞	Sgram			32	20301	39¼	38⅜	38½	+⅛
42¾	35¾	Seagrm x	0.66	1.6		3871	41⅝	40⅞	41	-⅛
24½	15⅝	Seagull En			32	2705	19	18½	18¾	+⅛
48	39¼	Sealed Air			27	825	47	46⅛	47	+1¼
56¼	44⅛	Searsft x	0.92	1.9	15	32865	49¼	48½	49	
25	21	SeCoSSt	1.30	6.0	12	1412	22⅛	21⅞	21⅞	-⅛
12⅞	12¼	Seligm Sel	0.84	6.8		24	12¾	12¾	12¾	-⅛
18	14½	Sensormat	0.22	1.4	78	630	16	15⅝	15⅝	+⅛
49⅞	39¼	SequaA	0.20	1.2	52	98	u50¼	49¾	50	+⅛
57	47½	SequaB	0.50	0.9	58	17	55½	55⅛	55⅛	-⅛
36	26⅞	ServCp	0.30	0.9	26	4449	34⅛	33⅞	34	-⅝
33¼	24⅝	SvMstr	0.72	2.2	18	829	u33½	33⅛	33¼	
4½	2⅝	ServMerch	0.02	0.7		1285	3¾	3⅛	3¼	+⅛
88	62½	SGSThm			20	2251	82	79¼	80⅞	+1⅞
14⅛	11⅝	Shaw Ind	0.30	2.4	68	1624	12⅜	12¼	12⅜	+⅛
17	11⅝	Shelby Wil	0.32	2.3	19	290	14⅜	14⅛	14⅛	+⅛
120¼	88¾	ShellTr	4.73	4.0	20	467	117	115¾	117	+⅛
32⅜	24⅛	SherWil	0.40	1.3	11	2055	30⅝	30	30¼	+⅜
8¼	4⅞	Shoneys			22	2613	5⅝	5⅛	5½	+⅛
23¾	17	Showboat	0.19	0.5	20	186	19⅝	19⅜	19⅝	
29¾	27¾	Sierra Pac	1.24	4.2	12	90	29⅝	29⅜	29½	-⅛
3⅛	1⅛	SignalApp				28	1½	1¼	1⅜	
33¾	27½	SignBk	0.84	2.6	15	4246	32⅞	31½	32¼	+¼
28⅞	12⅝	SiliconGr				3808	17⅞	17⅛	17¼	+¼
32¾	27⅞	SimonDbt	2.02	6.0	20	736	30½	30	30½	+⅛
19⅝	9⅝	Sizeler	0.88	0.7	31	53	18⅝	18	18⅝	+⅛
3	2¼	Sizzler				886	u3	2⅞	3	
26⅝	21	SkyLine	0.60	2.4	12	108	25⅜	25	25⅜	+⅛
9⅛	6⅛	SL Inds x	0.20		7	38	6⅞	6⅝	6⅝	-⅛
55¾	39½	Smithln			21	9509	u55½	55⅝	55	+2⅛
88½	65⅛	SKBchm x	1.15	1.3	28	3715	87¼	84½	86⅞	+¾
48	23¾	Smiths Fd				246	48⅝	47¾	47¾	-1
19¾	16	Smucker J	0.32	2.6	21	232	u20	19⅝	19⅞	+¼
42½	34¼	SnpOnT x	0.20	2.0	17	849	40⅝	39⅞	40⅛	-⅛
65	47¼	Solectron			27	1250	60⅝	59⅝	60⅛	+⅛
59⅛	45½	Sonat x	1.08	1.0	22	1529	58⅛	57½	57¾	
25⅞	24⅞	Sonoco x	0.72	2.5	19	1197	29¾	29¼	29¾	
87	63⅝	Sony x	0.39	0.5	34	58	u87	86¾	86⅞	-⅛
19	14⅝	Sotheby	0.48	2.0	19	926	15⅞	15⅝	15⅞	
45⅞	43¼	Source Cap x	3.70	8.2		19	45	44⅝	44⅞	+¼
36½	35	SouthCar5%	2.00	0.8		2	u37	37	37	+½

7½	7⅛	Zenix Inc	0.73	9.8		148	u7½	7⅛	7½	+⅛
23¾	17¾	Zero	0.12	0.5	17	52	22⅝	22	22⅛	-½
11¾	10¾	ZweigFd	1.16	9.9		225	u11¾	11⅝	11¾	+⅛
8¾	9	Zweig Tot	0.84	9.7		336	u8¾	8⅝	8⅝	-⅛

Price data supplied by Extel, part of FT Information.

Yearly highs and lows for NYSE reflect the period from Jan 1 1997. Unless otherwise noted, rates of dividend are annual disbursements based on the latest declaration. Sales figures are unofficial.

d-new yearly low. P/E price-earnings ratio. sls-sales. u-new yearly high. x-ex-dividend or ex-rights. yld-yield. z-sales in full.
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AMEX PRICES

4 pm close June 5

NASDAQ NATIONAL MARKET

4 pm close June 5

Stock	Div.	P/E	Sls 100s	High	Low	Last	Chng
Kaman Cp	0.44	26	126	14¾	14⅝	14¾	
Kelly Sv x	0.84	14	444	29¼	28⅞	28⅞	-³⁄₁₆
Kimball	1.04	14	952	39⅜	38¾	39	
KLA-Tn		24	7427	47½	45⅞	46⅝	-½
Koll A			708	⅛	³⁄₃₂	³⁄₃₂	
Komag		16	9715	27¾	26¼	26¾	-⅛
Kulicke S			5752	32¼	30⅞	31⅛	+½

- R -

Stock	Div.	P/E	Sls 100s	High	Low	Last	Chng
Rainbow		15	201	17	16½	16½	-⅛
Rallys			324	5	2¹¹⁄₁₆	2¾	
Raymond	0.25	18	142	32⅝	32½	32¼	-⅛
RCSB Fn	0.60	15	2280	u41⅞	41¼	41⅞	+¼
Read-Rite			18273	23⅝	23	23⅜	+⁵⁄₁₆

- X - Y - Z -

Stock	Div.	P/E	Sls 100s	High	Low	Last	Chng
Xilinx		36	9771	52¼	51¹⁄₁₆	51⅞	+1½
Xircom		18	5887	13½	13	13½	+³⁄₁₆
Xoma Corp			2707	5½	4⅞	4¹⁵⁄₁₆	-⅜
Yellow			3069	20⅛	19⅝	20	+⅜
York Rsch		14	359	7¾	7⅛	7¼	-⅛
ZionsBan	0.44	17	3599	30⅝	30	30⅛	-⅛

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Company	Mid price	Change on day	Volume	High	Low	Company	Mid price	Change on day	Volume	High	Low
ActivCard	US$5.5		9	6.25	4.375	Esprit Telecom ADS	US$7.525		1000	12.25	5.375
Artwork Systems	US$10.625	+0.125	85270	11.125	0.5	Innogenetics	US$11.75		25550	12.75	10.375
Chemunex	FF15		20000	18	15	Mercer Internat.	US$11.25	-0.125	1000	11.75	6.125
Dr Solomon's ADS	US$20.625		0	26.5	16.875	PixTech	US$4.25		8	6.125	3.875

Prices for 5/6/97. Please note that mid prices are now used to calculate highs and lows

Information about EASDAQ can be found on the Web site at: HTTP://WWW.EASDAQ.be
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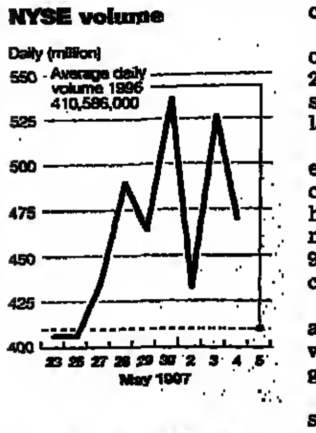
Dow gains as techs recover

AMERICAS

Blue chip stocks showed their strongest rally of the week so far on Wall Street at midsession, helped by greater confidence in the technology sector, *writes Jane Martinson in New York.*

The Dow Jones Industrial Average rose 63.52 to 7,333.18, prompting the so-called "up-tick" rule that attempts to limit momentum. The broader based Standard & Poor's 500 gained 7.13 at 847.24.

NYSE volume



The technology-driven Nasdaq composite index gained 12.46 or almost 1 per cent to 1,392.13 after two days of losses. Bargain-hunting by investors, who passed off recent profit warnings as company-specific and not a sign of industry-wide problems, was said to be behind much of the upturn. Intel, which prompted a sell-off this week following a profits warning, gained $2¼ at $144⅞.

Improving sentiment among techs also helped Seagate Technology and Cabletron, which had prolonged the sector's problems with negative comments on Tuesday. The former, a disk drive manufacturer, gained $⅝ to $39 while Cabletron, a networking company, added $⅝ to $30⅞.

Mr Michael Metz, chief investment strategist at Oppenheimer & Co, said he believed the market's failure to respond to the profits warnings had been unwise. "I think this area is in trouble," he said. "A lot of people have been conditioned to buy on dips and in doing that they have helped the technology area. I think the damage is going to be more significant." He warned that market volatility in the technology sector was likely to continue.

The Russell 2000, the index of smaller companies, rose 2.18 to 384.85. Technology stocks make up the second largest group in the Russell.

Banking stocks also enjoyed early gains in spite of a dull performance in the bond market. The benchmark 30-year note eased 1/16 to 96[illegible] to lift yield to 6.880 per cent.

Nationsbank rose $2¼ or almost 4 per cent at $61⅞ while Bank of America gained $3¼ to $122⅞.

Procter & Gamble, the consumer products giant, was among the best blue chip performers. It gained 2 per cent or $2⅞ to $136 as the market digested news of its plans to boost sales.

The morning session volume was relatively light at 239m.

TORONTO moved steadily higher throughout the morning, helped by the solid early progress on Wall Street. At noon, the 300 composite index was up 45.48 at 6,474.10.

Golds were the best performing sector, with Barrick Gold up 65 cents at C$33.35 and Placer Domer gaining 95 cents to C$34.40. There was speculative activity among some smaller resource caps. Talisman Energy jumped C$1.00 to C$46.60 and Canadian Natural Resources added 55 cents to C$36. Alcan Aluminium improved 20 cents to C$49.70.

Paris welcomes cabinet with 2.1% climb

EUROPE

French political pragmatism reasserted itself yesterday and **PARIS** moved ahead strongly as a result. The CAC 40 index ended 55.48 or 2.1 per cent higher at 2,690.85, bursting back above the 2,700 level at one stage for a session best of 2,724.57.

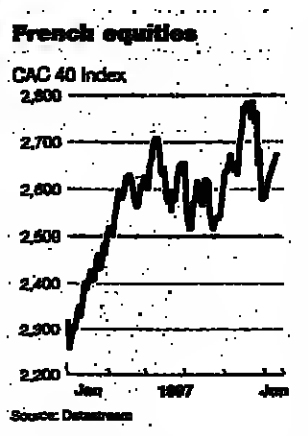
The dollar had another solid session, but it was Mr Jospin's day, with analysts and investors alike warming to his new cabinet team. "It is far more centrist than we had hoped. Emu is definitely back on the rails," said one broker.

The surge was partly a catch up. Held back by election uncertainty, the CAC 40 lagged the rest of Europe by more than 6 per cent last month, according to NatWest Securities. Accor and Sanofi both surged by close on 6 per cent, and retail stocks were also very much in demand.

Accor jumped FFr48.00 to FFr887 following Wednesday's upbeat annual meeting and French press reports that Mr George Soros, the international investor, had taken a 2.2 per cent stake in the group. Sanofi gained FFr30 to FFr546 for a two-day gain of 9.1 per cent.

Among retailers Pinault-Printemps rose FFr121 to FFr2,541 and Promodes added FFr100 to FFr2,115.

French equities



Source: Datastream

AMSTERDAM notched up another record high on the AEX index, which ended 3.57 better at 820.69. The market was again driven by trading in a handful of stocks, notably Philips and KPN, plus newcomer Vedior.

Vedior, the services business spun-off from the Vendex employment group, rose to Fl 45.1 in 7.4m shares traded, against a flotation price of Fl 39. Vendex itself eased Fl 2.60 to Fl 113.10.

KPN continued to attract buyers ahead of a possible split into two companies later this year. It rose 40 cents to Fl 75 for a four-day advance of nearly 11 per cent.

KNP, the paper and packaging leader, rose Fl 1.00 to Fl 41.60 on hopes for a cyclical upturn next year. Philips, buoyed by a recent broker upgrade, rose a further Fl 1.40 to Fl 119.30.

FRANKFURT was higher in late electronic trade, but while the Ibis-indicated Dax eyed the psychologically important 3,700 point level, it proved a fence too high. The index finished 33.01 higher at 3,684.60 in turnover that pulled back to DM10.9bn from Wednesday's DM11.6bn.

Shares in SGL Carbon, the graphite and carbon maker, plunged DM29 or 11.1 per cent to DM232 and were subsequently suspended from trading in New York, as a number of rumours circulated. One claimed that a US subsidiary faced a legal battle over alleged price fixing. Another suggested that a rival company had discovered a carbon replacement.

Thyssen picked up DM3.60 to DM409.60 as a number of recent upgrades on the stock offset news of a downgrade by Salomon Brothers.

Lufthansa remained in favour, adding DM1.15 to DM30.75 while Adidas jumped DM9.35 to DM199.55, recovering ground lost since the profits warning from Nike, its US rival.

STOCKHOLM saw an outbreak of heavy selling at Hennes & Mauritz, the fashion retailer. The B shares tumbled SKr19.50 to SKr234.5 after the group announced plans to shift its stock market listing from the main A list to the smaller Observation category, which represents a significant shrinking of the shareholder base.

The plan, for wealth tax reasons, burnt a number of investor fingers. "There are a lot of people who no longer can own shares in the company, above all mutual funds and even foreign investors," said one broker. The general index ended off 4.45 at 2,842.58.

ZURICH settled at a third consecutive record close, spurred on by merger and spin-off rumours in the financial sector. The SMI index advanced 12.7 at 5,251.2.

CS Holding, trading ex-dividend, remained at the centre of attention. The shares leapt SFr5 to SFr194.25 with the market abuzz with rumours of a forthcoming important announcement.

Advances of 1 per cent and more were common among other banks and insurers. Zurich, however, managed a rise of only SFr1 to SFr534 as profit-taking emerged after the share's recent bull run.

Surveillance, the inspection company, dropped SFr100 to SFr3,150 in response to its announcement, late on Wednesday, that it expected lower 1997 group net profit.

Interroll, the conveyor belt manufacturer, closed its first trading day at SFr246.50, a comfortable premium to the SFr246.50 issue price.

DUBLIN, up 21.5 per cent so far this year, pushed further into record territory as opinion polls indicated that Irish voters were poised to change their government in today's general election. The ISEQ index picked up 20.9 to 3,319.34 as polls showed the centre-right opposition alliance ahead of the so-called rainbow coalition of Prime Minister John Bruton.

One analyst said the market was unlikely to be swayed, whichever side won. The policies of both were broadly similar, although the centre-right alliance was perceived as slightly more pro-business. However, a hung parliament that required the rainbow coalition to rely on the support of another small party for power was the least favoured outcome. This would introduce a significant element of uncertainty.

BRUSSELS edged back from Monday's peak, pulled down by a 2 per cent fall in Electrabel as investors finally responded to speculation that it might merge with Tractebel. Electrabel lost BFr170 to BFr7,620 and Tractebel was unchanged at 15,525. A firm showing by dollar-sensitive shares held the slide in the Bel-20 index to just 1.33 at 2,283.07.

MADRID regained momentum late in the day, although analysts cautioned that the advance seemed exaggerated given that little had happened to push the market higher. The general index rose 8.77 to 566.24, helped by a Pta100 rise to Pta4,315 in Telefónica.

Written and edited Michael Morgan and Jeffrey Brown

FTSE Actuaries Share Indices

Jun 5								THE EUROPEAN SERIES
Hourly changes	Open	10.30	11.00	12.00	13.00	14.00	15.00	Close
FTSE Eurotrack 100	2364.33	2366.96	2365.89	2368.89	2367.26	2368.39	2367.84	2368.67
FTSE Eurotrack 200	2377.84	2377.80	2378.53	2382.03	2382.60	2387.85	2384.05	2384.62

	Jun 4	Jun 3	Jun 2	May 30	May 29
FTSE Eurotrack 100	2357.69	2344.14	2322.89	2312.25	2342.35
FTSE Eurotrack 200	2372.87	2366.99	2359.60	2351.37	2381.16

Base value 1000 (26/10/90). Highday: 100 - 2368.87; 200 - 2388.15 Lowday: 100 - 2363.98 200 - 2375.38. † Partial.
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Properties in demand in broadly weaker Tokyo

ASIA PACIFIC

Tokyo turned back as domestic institutional investors took profits after three consecutive days of gains.

Property developers, however, rallied on government officials' suggestions of possible new measures to boost the moribund property market, *writes Gwen Robinson.*

The Nikkei 225 average fell 123.41 to 20,488.14 after moving between 20,423.04 and 20,605.96. Stocks opened lower, discouraged by New York's decline overnight.

Domestic institutions took profits on leading blue chip exporters after the 225 index rewrote its high for the year in the preceding two sessions.

However, active buying by foreign investors and pension funds underpinned the key index at the 20,500 level.

Volume eased from 382m shares to an estimated 359m. Declines led advances 668 to 426, with 153 unchanged.

The Topix index of all first-section stocks shed 3.82 to 1,514.45 and the capital-weighted Nikkei 300 was off 0.50 at 292.79.

In London, the ISE/Nikkei 50 index climbed 2.59 at 1,602.93.

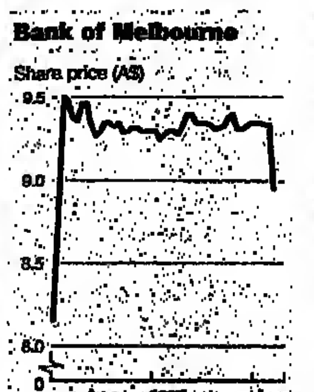
Blue chip exporters fell prey to profit-taking. Toyota dipped Y50 to Y3,410, Honda Y60 to Y3,520 and Fuji Photo Film Y20 to Y4,770.

Electrical and high-technology stocks also retreated. TDK shed Y120 to Y8,870, Tokyo Electron Y150 to Y5,670 and Advantest Y200 to Y8,250. Sony remained unchanged at Y10,000, but traders said the stock's failure to rise beyond the Y10,000 line dampened sentiment.

However, Kyocera, which makes integrated circuit ceramic packages, rose Y130 to Y9,240 after surging on Wednesday on heavy buying by foreign brokers.

Property-related issues were the biggest gainers as a group, rising nearly 2 per cent. Mitsui Fudosan, the day's most active issue, added Y50 to Y1,590 and Mitsubishi Estate rose Y30 to Y1,710. Sumitomo Realty and Development rose Y14 to Y1,010.

Bank of Melbourne



Source: Datastream

Sega Enterprises, planning to introduce stock options following the government's decision to allow such schemes, jumped Y190 to Y4,190 on speculative buying.

Among financial issues, banks rose on late buying while securities houses ended lower.

Sumitomo Bank added Y40 to Y1,710 and Fuji Bank Y40 to Y1,580. Dai-Ichi Kangyo Bank, however, fell Y20 to Y1,330 on the widening scandal over payoffs to corporate racketeers.

Nomura Securities, which is at the heart of the scandal, fell Y10 to Y1,360 after Wednesday's indictment of the company and two of its former executives on illegal payoff charges.

Nikko Securities shed Y11 to Y699 and Yamaichi Securities, Y7 to Y330.

In Osaka, the OSE average edged up 11.03 to 21,353.87 and volume eased to 11.8m shares.

BANGKOK closed at an eight-year low in thin Bt2.8bn volume. The SET index finished 4.82 off at 548.05 with the troubled financials sector leading the way down.

Finance and bank shares came in for some fairly determined selling in the late afternoon after Siam Commercial Bank met with a debt downgrade from Standard & Poor's. Siam Commercial came off Bt7 to Bt111. Thai Farmers lost Bt2 to Bt97.50.

SYDNEY closed lower as profit-taking marked shares down across the board. The All Ordinaries index lost 11.7 at 2,604.2.

Banks were active. Bank of Melbourne fell 39 cents to A$8.95 following reports that the regulatory authorities may veto plans to merge with Westpac, which gained 25 cents to A$7.20. NAB came off 7 cents to A$18.88.

BHP lost 14 cents to A$18.83 after Foster's announced plans to spend A$625m in a share buyback from BHP and Asahi.

TAIPEI ran into profit-taking that reversed five straight sessions on the upside and left the weighted index off 51.61 at 8,231.30 against an intra-day high of 8,317.79.

Turnover was an active T$135.6bn

Electronics declined 0.74 per cent as a sector, with Taiwan Semiconductor down T$4 or 3.1 per cent at T$124.5. Acer fell T$2 to T$81.5 and Winbond T$1 to T$40.6.

Textiles held up well. Formosa Taffeta strengthened T$1.9 or 5.8 per cent to T$34.9.

KUALA LUMPUR saw a second straight day of profit-taking by institutional investors, which left the composite index 10.44 lower at 1,108.84.

Analysts noted that the selling pressure built on increasingly insistent rumours that Malaysia would show a trade deficit for the month of April.

Volume remained thin, however, with just 200m shares traded.

Among financials, AMMB Holdings gained 60 cents to M$17 in the wake of Wednesday's announcement of a 71 per cent jump in net earnings for the year to March 31.

Country Heights, the luxury property developer, was the day's biggest loser, falling M$3.40 to M$14.50 in response to its planned three-for-five bonus issue.

HONG KONG was modestly lower after a day of choppy trading, with profit-taking alternating with bargain-hunting and index futures-related buying.

The Hang Seng index fell 36.06 to 14,795.52 in turnover that picked up to a hefty HK$22.6bn.

The heavily traded China Everbright hit an intra-day record high of HK$18.60 before retreating to close at HK$17.60, up HK$5.70 on the day, following an announcement on planned acquisitions.

Mexico City retreats

Leading Latin American centres had a mixed morning, with Venezuela and Brazil's solid progress contrasting with Mexico, where shares edged lower.

MEXICO CITY opened higher but quickly fell back as the sellers responded to the weak peso and a 75 basis points hike for local money market rates.

Telmex moved up to 18.80 pesos shortly after the opening bell, but by midsession the shares were off 2 centavos at 18.58 pesos. Cemex slipped 10 centavos at 31.50 pesos. Cifra, the stores group buoyed recently by talk of a deal with leading US retailer Wal-Mart, came off 36 centavos to 13.64 pesos.

At midsession, the IPC index was down 3.37 on the previous day's record close at 4,118.19.

CARACAS moved higher from the outset to push the IBC index up by 86.16 to 7,246.35 at midsession.

BUENOS AIRES's Bovespa index showed a midsession gain of 103 to 11,133.

Financials lift South Africa

Shares in Johannesburg rallied for the fourth day running with another solid gain for financials and industrials lifting the all-share index 45.7 to 7,218.5.

Volume surged to 920m shares, helped by a fresh round of takeover talk.

Malbak jumped 7 per cent to R724 on rumours that the Remgro group was set to expand its 18 per cent shareholding in the packaging company.

Remgro declined to comment on the speculation.

At the close, the financial index was up 1.3 per cent as investors warmed to the theory that the central bank was lining up a cut in interest rates. The industrial index put on 41.5 to 8,469.9.

Golds were again out of step.

Another dull day for the bullion price left the golds index off a further 5.4 at a 50-month low of 1,140.3.

FT/S&P ACTUARIES WORLD INDICES

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NATIONAL AND REGIONAL MARKETS	WEDNESDAY JUNE 4 1997								TUESDAY JUNE 3 1997					DOLLAR INDEX		
Figures in parentheses show number of lines of stock	US Dollar Index	Day's Change %	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	Local % chg on day	Gross Div. Yield	US Dollar Index	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	52 week High	52 week Low	Year ago (approx)
Australia (76)	232.44	-0.2	211.62	170.64	208.98	203.88	0.1	3.78	232.89	211.03	170.91	208.99	203.51	234.37	188.44	204.63
Austria (24)	195.18	0.2	177.71	143.29	175.49	175.42	0.3	1.87	194.86	176.57	143.00	174.86	174.80	200.52	174.70	193.97
Belgium (26)	247.59	-0.2	225.42	181.76	222.61	217.65	-0.1	3.28	248.10	224.82	182.08	222.64	218.00	254.98	208.70	209.85
Brazil (30)	261.62	-0.6	238.20	192.07	235.22	516.53	-0.5	1.39	263.27	238.56	193.21	236.25	519.15	269.59	162.65	168.22
Canada (112)	208.33	-0.1	189.68	152.94	167.31	207.53	0.0	1.88	208.56	188.99	153.08	187.15	207.62	209.45	154.12	164.80
Denmark (32)	381.33	0.5	347.18	279.95	342.85	341.55	0.7	1.48	379.40	343.79	278.43	340.46	339.20	390.15	292.69	292.69
Finland (28)	270.42	-0.3	246.21	198.53	243.14	293.92	-0.2	1.55	271.39	245.92	199.18	243.53	294.67	279.84	186.67	199.41
France (91)	216.21	0.3	196.84	158.72	194.39	197.79	0.5	2.87	215.48	195.27	158.15	193.38	196.83	232.34	186.94	195.63
Germany (59)	211.72	0.8	192.76	155.43	190.36	190.36	1.0	1.49	210.09	190.38	154.18	188.53	188.53	216.90	168.28	168.32
Hong Kong (66)	525.06	0.5	478.04	385.46	472.07	521.98	0.5	2.88	522.41	473.38	383.39	468.80	519.39	528.88	407.55	433.63
Indonesia (27)	240.57	-1.8	219.02	176.61	216.29	358.32	-1.8	1.59	244.28	221.43	179.33	219.28	364.20	–	–	–
Ireland (16)	337.52	0.2	307.29	247.78	303.46	318.92	0.2	3.05	336.68	305.08	247.08	302.12	319.22	350.96	270.08	283.65
Italy (59)	88.36	0.1	80.45	64.87	79.44	112.06	0.2	2.24	88.22	79.94	64.75	79.17	111.31	96.32	73.26	82.44
Japan (485)	133.81	0.4	121.83	98.23	120.31	98.23	0.4	0.80	133.28	120.77	67.31	119.60	97.81	158.25	107.57	154.18
Malaysia (107)	538.46	-0.3	490.24	395.30	484.12	521.76	-0.7	1.31	541.84	490.99	397.64	486.23	525.35	660.85	510.10	554.05
Mexico (27)	1479.47	1.1	1346.98	1086.16	1330.17	12827.33	1.4	1.17	1463.26	1325.94	1073.86	1313.09	12650.05	1479.47	1110.35	1283.47
Netherland (19)	375.21	0.3	341.81	275.48	337.35	333.15	0.5	2.34	374.11	339.00	274.55	335.72	331.65	382.18	279.89	296.96
New Zealand (14)	90.55	0.5	82.44	66.48	81.41	69.79	0.4	4.12	90.14	81.68	66.15	80.89	69.51	95.60	75.94	77.73
Norway (41)	314.89	-0.4	286.69	231.17	283.11	305.10	-0.2	2.01	316.09	286.43	231.97	283.65	305.68	321.23	246.04	252.53
Philippines (22)	170.52	-0.8	155.25	125.18	153.31	224.07	-0.6	0.83	171.51	155.41	125.87	153.91	225.35	–	–	–
Singapore (42)	395.20	0.3	359.81	290.13	355.32	260.34	0.1	1.16	394.10	357.12	289.22	353.99	259.98	448.01	360.08	412.26
South Africa (44)	359.76	0.8	327.54	264.11	323.46	351.83	0.9	2.44	356.78	323.30	261.83	320.17	348.62	370.12	301.49	361.18
Spain (35)	248.41	0.1	226.16	182.36	223.34	274.89	0.2	2.38	248.27	224.97	182.20	222.79	274.23	262.42	171.91	175.76
Sweden (49)	453.60	0.1	413.16	333.15	408.00	520.81	0.1	2.00	453.17	410.54	332.58	406.67	520.11	467.61	334.35	360.08
Switzerland (35)	292.90	0.0	266.67	215.03	263.34	262.32	0.8	1.27	292.77	265.30	214.86	262.73	260.66	299.90	230.41	232.93
Thailand (43)	63.25	-1.4	57.59	46.44	56.87	60.51	-2.4	5.18	64.16	58.16	47.10	57.59	62.02	177.41	59.78	177.41
United Kingdom (212)	293.10	-0.5	266.86	215.18	263.53	266.86	0.0	3.74	294.51	266.87	216.14	264.29	266.87	303.18	229.63	236.18
USA (650)	340.47	-0.6	309.99	249.95	306.12	340.47	-0.6	1.80	342.43	310.29	251.30	307.29	342.43	343.87	254.79	274.06
Americas (819)	311.99	-0.5	284.05	229.04	280.51	262.69	-0.5	1.79	613.67	284.23	230.20	281.48	264.09	314.74	233.09	250.38
Europe (726)	257.95	0.0	234.85	189.37	231.92	240.30	0.3	2.65	257.92	233.72	189.28	231.45	239.53	264.79	204.71	210.24
Nordic (150)	391.53	0.1	356.47	287.44	352.02	388.43	0.1	1.85	391.27	354.55	287.15	351.12	387.94	401.56	291.45	308.49
Pacific Basin (882)	152.54	0.3	138.88	111.98	137.15	112.64	0.3	1.27	152.07	167.60	111.60	136.47	112.25	170.85	127.18	167.32
Euro-Pacific (1608)	196.54	0.1	178.94	144.29	176.71	160.88	0.3	2.02	196.25	177.84	144.03	176.11	160.35	198.18	173.55	195.10
North America (762)	332.46	-0.6	302.69	244.07	298.01	331.72	-0.6	1.80	334.30	302.92	245.33	299.89	333.54	335.55	248.65	257.29
Europe Ex. UK (514)	233.01	0.3	212.14	171.06	209.49	220.21	0.5	2.04	232.34	210.54	170.51	208.50	219.10	238.86	185.65	191.14
Pacific Ex. Japan (397)	313.72	0.0	285.83	230.32	282.07	274.77	0.1	2.72	613.68	284.22	230.19	281.47	274.58	320.65	268.97	289.17
World Ex. US (1821)	200.12	0.1	182.20	146.92	178.93	167.31	0.3	2.01	199.83	181.08	146.65	179.33	166.77	201.44	176.94	186.47
World Ex. UK (2259)	240.01	-0.2	218.52	176.20	215.79	211.83	-0.1	1.72	240.39	217.83	176.42	215.72	212.05	241.02	199.58	211.36
World Ex. Japan (1986)	[illegible]	-0.3	274.67	221.48	271.24	292.10	-0.2	2.14	302.61	274.21	222.08	271.58	292.68	305.11	233.10	246.31
The World Index (2471)	[illegible]	-0.2	222.70	179.57	219.92	216.98	-0.1	1.81	245.06	222.05	179.84	218.91	217.18	246.21	202.32	213.60

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Traditional careers may enjoy revival, says Andrew Bolger

People back in fashion

Human resource managers believe that Britain's new Labour government will give them greater scope to pursue what might be described as soft management issues in their companies, according to a consensus drawn from a weekend conference run by the Human Resource Forum.

A mood of optimism that the career in its traditional sense may indeed have a future after years of downsizing emerged from some 400 HR delegates gathered at the forum held on the cruise ship Canberra. Stephen Wells, an independent consultant, summarising part of a discussion on the implications of the Labour government for HR, talked about "a renewed sense of self-confidence about the HR function". Fellow HR managers, he said, "foresee a greater role for 'soft' people issues – which HR was always interested in, but have been crushed under the heel of the finance people".

Penny Horner, another consultant summarising discussion groups, pointed to a new willingness of personnel specialists to challenge supposed truisms – such as there no longer being any jobs for life. "People were asking: 'Why not – if it suits both the employer and the employee?'," she said.

Horner said that companies had begun to learn the lessons of downsizing – one being that it was important not to lose too many experienced staff. "People are looking at how to retain the interest and motivation of employees aged over 45, such as through the progressive use of job shares and special projects."

Wells found that many delegates believed it was also time to start challenging the prevalent office culture that encourages the workaholic. "HR professionals need to take a stand on dissuading people from working long hours, if they are doing so for 'macho' reasons or because of peer group pressure," he said.

But there was also scepticism about how much workplace change could be achieved, regardless of the change of government. "One Monday morning, I will go back to the office and the chief executive will be asking the same tough questions about payroll and costs – as he has been for years," said one HR director.

Opening the conference, Will Hutton, editor of the Observer, forecast that Labour could have won a big enough victory to see them through two terms of office.

"That is going to shape the policy and the legal framework in which our companies and our financial institutions do business. After a hesitant start, I think we will see a more confident move to the kind of ideas loosely called stakeholding," he said.

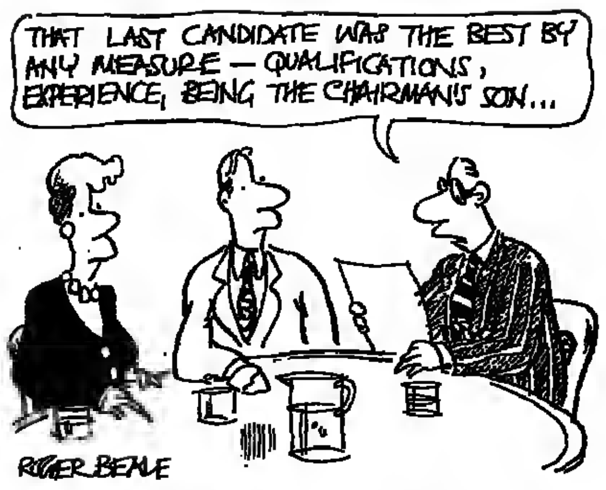
Hutton said employees would always be attracted to good employers – and companies such as Marks and Spencer and Unipart had shown this could be a source of competitive advantage.

The only real exceptions to the positive mood was among public sector delegates. Executives in the National Health Service, police and local authorities admitted to feeling bruised – trapped between members of the public, unhappy with the standards of service, and hostile politicians quick to pillory managers as bureaucrats.

Delegates from the private sector, however, remained unconvinced about how much Labour can alter the commercial pressures HR people face – or the extent to which it wishes to. Perhaps begining to address the gulf in status and morale between the public and private sectors is a more realistic and achievable goal for the new government.

The art of networking

Word of mouth is still one of the best ways to get a job, says **Richard Donkin**



Past experience and ability to do the job are still the most important factors taken into account by prospective employers, according to research by the Institute of Personnel and Development published at its recruitment conference in London this week.

Qualifications and personal qualities came at the bottom of the list when the IPD asked managers responsible for recruiting to put various factors in order of importance.

While this seems quite understandable, it is not necessarily the best approach according to Angela Baron, the IPD policy adviser who compiled the survey.

The replies suggest, she says, that employers have a clear preference for people from the same industry and use recruitment methods that actively encourage such candidates. Again this seems reasonable, but Baron argues that employers should focus more on potential than on experience.

"Many types of experience and skills are easily transferable from industry to industry, so there is little reason for recruiters to limit themselves to people who have done exactly the same job in exactly the same kind of company."

Her main fear is that focusing on experience rather than on ability to adapt could deter some employees from acquiring the flexibility they may need in the future. The IPD is also concerned about another finding – that word of mouth recruitment remains a popular form of recruitment. Not only does it prevent employers accessing the best possible talent, but it perpetuates imbalances in the workforce, says Baron. "If you ask a white, middle-class thirty-something man to recommend someone, he is likely to recommend someone very similar."

Baron may have a point but she may have to work on the IPD's membership if she wants to change things. Human resource specialists are some of the most active networkers in management. Networking is actively promoted as a successful form of job-seeking because it is exploiting the potential for word of mouth recruitment.

It also shows that those prepared to use their initiative in finding work will tend to succeed over those who passively fill in the application forms. Not unreasonably, Baron is arguing the case for greater objectivity in recruitment. But the research suggests that subjectivity will continue to prevail in human relationships.

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You may receive an offer there and then.

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To find out more telephone David Brownlow now on 01753 855200 or out of office hours on 01628 777256. Alternatively please write, including a detailed CV, quoting reference 76231, to him at Huntswood Associates, Castle Hill House, Castle Hill, Windsor, Berkshire SL4 1PD. brownlow@huntswood.co.uk

Price Waterhouse
Management Consulting Ltd

VENTURE CAPITAL IN RUSSIA

DIRECT EQUITY PROFESSIONALS

Attractive Expat. Package **MOSCOW**

A fund in excess of $250 million has been established with substantial shareholder backing to make direct investments in both large and small businesses throughout Russia. The fund now seeks two successful professionals, one at Senior Vice-President and one at Vice-President level to make a significant contribution in promoting the growth of major enterprises in Russia and to share in their success.

The Positions

- Reporting to the Chief Investment Officer of the fund, both positions will be based in Moscow.
- Identify, initiate, negotiate and close investments as member of small, focused Direct Investment team.
- Monitor and nurture investments from early stages through to successful exit.

The Requirements

- Fluency in English is essential; knowledge of Russian is desirable but not essential.
- Experience in investment banking, corporate finance, development/venture capital or consulting, with demonstrable deal-closing/project-completion skills.
- At least 10 years' work experience for the role of SVP; minimum of 5 years for VP.

Please send your CV with current salary details to Patrick Alexander, K/F Selection, 252 Regent Street, London W1R 6HL quoting ref: 6291/A.

Alternatively send by fax on 0171-312 3380 or by e-mail to cv@kfselection.com
Internet Home Page: http://www.kfselection.com

K/F SELECTION
A DIVISION OF KORN/FERRY INTERNATIONAL

Assistant Treasurer

Geneva Based **Salary Negotiable**

A highly regarded private investment company operating from Switzerland seeks to identify a high calibre individual to join its active treasury team. This is a senior position, reporting directly to the Deputy General Manager, Treasury.

As a key member of their profitable unit, you will be responsible for strategic F/X position taking and trading multi-currency portfolios, as well as F/X hedging. In addition to a familiarity with the latest hedging and arbitraging techniques, a knowledge of the bond markets and liability management is required as the appointee will be expected to deputise for senior colleagues.

The attractive remuneration package will include a competitive salary, bonus and other benefits and will appeal to an individual who is an effective communicator, able to take decisions and make money.

If you are interested in this challenging opportunity, please send your curriculum vitae in complete confidence to **Walter Brown, Executive Director**, or call for an initial discussion.
Devonshire Executive, 7 Birchin Lane, London EC3V 9BY.
Tel: +44 (0)171 626 2150.
Fax: +44 (0)171 626 2092.
e-mail: exec@devonshire.co.uk discussion.

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Tel: 0171-588 3588 or 0171-588 3576
Fax No. 0171-256 8501

CJRA

RESEARCH ANALYST - OIL AND GAS

EASTERN EUROPE & RUSSIAN FEDERATION

CITY OF LONDON **Competitive salary + car**

A MAJOR EUROPEAN BANK WITH OFFICES WORLDWIDE

Our client's company has an excellent reputation for Investment Research and has a growing presence in the Emerging Markets sector. The bank now wishes to recruit an oil and gas research analyst with specific responsibility for research into Eastern European and the Russian Federation's (in particular the CIS) oil and energy related companies. You should have practical knowledge and at least 2 years' experience of the oil and gas industries plus some financial markets exposure. Education to degree level and fluency in English and Russian are essential. As part of a team, your role will be to help further establish a credible presence for Emerging Markets in London in support of the firm's marketing efforts and specific clients' needs. Salary and benefits, including company car, will be competitive. Please send your CV in strict confidence, with a covering letter explaining why you are suitable for this position, and listing any companies to which your CV should not be sent, under reference RA6311/FT to the Security Manager, CJRA.

Financial Process Redesign

London **£Excellent + Benefits**

Our client, a leading global financial institution, is building a project team within the Financial Division to enhance the efficiency of reporting processes and to improve the quality of information provided. We now need to recruit an experienced professional to strengthen this initiative.

Current priorities include accounting for derivatives, risk management, inventory control and the collation of management information. Responsibilities will include reviewing proposed project strategies, project management and managing European redesign activities.

Graduating with a First or high 2:1 in a numerate discipline, you will then have gained either an accounting qualification or an MBA. You will have at least three years' project based experience, strong interpersonal skills and a sound record of achievement in audit, consultancy or controlling, preferably gained in a securities environment. You will be fully challenged in this dynamic organisation and excellent opportunities exist for pay and progression.

Please write to Janet Bullock, quoting reference 439 and enclosing a full CV that includes contact telephone numbers. All applications will be treated in the strictest confidence.

76 Watling Street
London
EC4M 9BJ

BBM
SELECTION

Tel: 0171-248 3653
Fax: 0171-248 2814
E-mail: 439@bbm.co.uk

Credit Risk Analysts

As one of the world's leading investment banking and securities firms, Goldman Sachs has a global reputation which has been built on the skills, creativity and dedication of our people. We are committed to offering a challenging work environment which focuses on excellence in service, teamwork, integrity and creativity.

Our Credit Department is now seeking experienced and motivated credit analysts to join its high-profile and professional team. This team is responsible for managing all forms of credit risk which the firm incurs through its fixed income, equities, foreign exchange, commodities and other transactional businesses. The group is also responsible for supporting, as integral members of client project teams, the firm's investment banking and capital markets business, and providing ratings advisory assistance for our clients.

Successful candidates will be graduates with first-class academic qualifications, together with relevant credit training gained within a recognised investment house, rating agency or similar institution. You will have between two and seven years relevant experience gained within the corporate, financial institution and/or sovereign (including emerging markets) sectors. Excellent written and oral communication skills are essential and fluency in one or more European languages would be an advantage.

Compensation will be competitive and will reflect normal investment banking practice.

Please apply in writing enclosing both a covering letter and a full curriculum vitae to our managing consultants Tim Smith or Mark Pettman at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LN, or contact them on 0171 269 2472. Fax number 0171 405 9649. Please quote reference 351098.

Goldman Sachs

TRAINEE FUND MANAGERS

Excellent opportunities for outstanding graduates to join leading investment management organisation.

Gartmore is recognised as one of the leading investment houses in the City, with a significant presence in both the UK and international markets. With group assets under management in excess of £50bn, we are the fifth largest investment management company in the UK.

We are now seeking to recruit a number of exceptional graduates to develop a career in investment management. Successful individuals will follow a structured and intensive training programme, and will work closely with a personal mentor as well as undertaking formal study. Performance will be reviewed regularly and you will be expected to take on early responsibility.

To be considered for these positions, you must have a strong academic background and a minimum of a 2.1 degree. We are keen to receive applications both from individuals who have just graduated and those who have gained up to three years' experience within a commercial environment. You must be able to demonstrate a keen interest in developing a career in fund management, although experience within financial services is not a prerequisite.

You will be ambitious and committed, numerate and with an aptitude for analytical problem solving. Your confidence and credibility will give you the ability to make things happen and you will be a strong team player with outstanding interpersonal and presentation skills.

These opportunities provide first class career prospects for outstanding performers and carry a highly competitive remuneration package.

For an application form and information pack, please call our consultants, NBS Assessment Services on:- 01753 608317 during office hours, quoting reference 503b, before 16th June 1997.

Gartmore

Issued and Approved by Gartmore Investment Limited which is regulated by IMRO and the Personal Investment Authority

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Director Emerging Markets

Global Investment Bank

Remuneration Commensurate with Position **City**

THE COMPANY

- Major UK based international banking group. Stable, profitable, prestigious organisation.
- Success story within investment banking. Headquartered in London with office network in over 20 countries.

THE POSITION

- Fixed Income Sales Trader. Sell diversified US Fixed Income product base to US Institutional and Financial Services companies.
- Build and maintain strong relationships with key customers globally. Join successful, highly regarded team.

QUALIFICATIONS

- Minimum 4 years' experience in high quality US investment banking environment. Strong evidence of exceptional client relationship management skills.
- Thorough knowledge and proven track record in trading bonds, swaps, options and FX. Also exposure to market making, arbitrage and proprietary trading.
- Experienced, inspirational manager. Team player.

Please send full cv, stating salary, ref FS706A1, to NBS, 10 Arthur Street, London EC4R 9AY

Fax 0171 623 1525 Tel 0171 623 1520

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Structured Finance Emerging Markets

London £ Highly Attractive Package

Our client is an old established and highly prestigious British Merchant Bank with an enviable reputation for advising and arranging finance across a broad spectrum of emerging markets projects and capital equipment acquisition.

The continued success and expansion of the division has resulted in an exceptional opportunity for a senior individual with a proven track record in high level transaction origination to join this dynamic and highly entrepreneurial team.

Based in London, but with extensive worldwide travel, the successful candidate will be responsible for:

- The origination, structuring and execution of a wide range of transactions.
- The development of products and business in both mature and emerging markets.
- The continuing identification and evaluation of new business opportunities.

The successful candidate will have outstanding interpersonal skills and a minimum of 5-10 years experience with a proven track record of transaction origination and structuring. A creative approach to business is necessary to succeed in this highly meritocratic environment.

This is a senior appointment, with the successful applicant acting as deputy to the Head of the Division. As such, an excellent remuneration package will be offered, based on a generous basic salary.

Interested candidates should contact Richard Colgan or Paul Wilson on 0171 269 2315. Alternatively, write to them, enclosing a full curriculum vitae and current remuneration details at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LN. Fax 0171 405 9649. Please quote reference 341569.

MP
Michael Page City
International Recruitment Consultants
London Paris Frankfurt Madrid Hong Kong Singapore Sydney

ANALYST – CORPORATE FINANCE

Excellent Package

Salomon Brothers

Established in 1910, Salomon Brothers is a pre-eminent investment banking firm providing a first class service to governments, corporates, financial institutions and blue chip organisations. The European Investment Banking (EIB) division provides a full range of capital raising in sectors as diverse as Energy, Telecommunications and Media, Healthcare, Financial Institutions and Infrastructure across Europe and further afield.

Salomons reputation has been built on absolute standards of quality, integrity and service. These are born of a desire, and ability, to commit to excellence both in technical and financial capabilities and, crucially, in the character of the professionals they employ.

EIB is now seeking applications from German speaking analysts who have 1-2 years' relevant experience within a similar financial institution. The successful applicant will commence employment with the German Coverage Team based in Frankfurt, and after 12 months return to the European Head Office in London. The analyst role is an important one which supports Senior Bankers through sourcing accurate and detailed research and analysis for business presentations to clients. Typical functions include:

- Financial modelling.
- Quantitative Analysis.
- Research.
- Statistical Support.
- Review and Organisation of Financial Data.

The work is high profile and challenging often involving long hours and intense pressure. Analysts are exposed to a broad range of people and products and expected to contribute ideas and help to win new business. They work alongside experienced professionals and have access to excellent support and training along with clear career progression opportunities.

To be considered for this opportunity you will need to have strong analytical and numerical skills, both academically and practically. You will also be able to demonstrate achievement in a similarly demanding environment. Fluent German and English are pre-requisite, as is a high calibre first degree, ideally in a finance/maths/economics discipline.

In the first instance, please contact Miranda Newboult at Harrison Willis on 0171 344 5154 (daytime), 0171 622 8249 (evenings and weekends) or by writing to her at Harrison Willis, Cardinal House, 39/40 Albemarle Street, London, W1X 4ND
Fax: 0171 344 0364
E-mail: hwgroup@hwgroup.co.uk
http://www.hwgroup.co.uk/hwgroup

HARRISON WILLIS
HW Group Company

Senior Investment Consultant

London £ Attractive

As one of the world's leading investment consulting firms, our client provides investment advice, analytical tools and funds to institutional and individual investors, with offices throughout Europe, North America and the Asia/Pacific region. The investment consulting group is now seeking to recruit a Senior Consultant to expand its London operation.

The successful candidate will be responsible for providing professional advice on investment strategy and management to a prestigious UK and International client base. This will involve the delivery of consulting services encompassing strategic asset allocation policy, manager selection, representation at trustee and investment committee meetings and fund performance evaluation. Further responsibilities include relationship management and new business development.

Candidates will be mature, professional graduates, preferably with an MBA or equivalent qualification and with a minimum of five years' investment related experience gained within fund management, consulting or with a plan sponsor. Excellent interpersonal and presentation skills, coupled with the ability to communicate effectively both verbally and in written form are essential. The successful candidate will also demonstrate strong management and leadership skills and the ability to effectively manage projects.

This position offers an exceptional opportunity and superb career development for an outstanding investment professional with the enthusiasm and commitment to provide consistently superior consulting services. An attractive remuneration package will reflect both the level of responsibility and the candidate's experience.

Interested applicants should send a full curriculum vitae to Sarah Hesse-Hunter at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LN or by fax to 0171 405 9649. For an initial confidential discussion, please telephone her on 0171 269 2314. Please quote reference 348494.

MP
Michael Page City
International Recruitment Consultants
London Paris Frankfurt Madrid Hong Kong Singapore Sydney

EQUITY FUND MANAGER

A high calibre motivated individual is required as a junior fund mangaer for a European Hedge Fund.

The applicant should have at least 3 years experience of European Equity Markets, including a sound working knowledge of company accounts. The Fund uses a bottom-up stock specific investment style, and the role demands an appropriately imaginative approach to equity fund management.

The position is based in the City, within one of Europe's leading specialist fund management companies.

Remuneration will be by salary and performance related bonus.

Please write enclosing your CV to:

PO Box 984, London EC4R 2TL

[illegible]

NEWTON

They know the value of service.

Fund Manager – Private Investment.

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The outstanding package will include excellent base salary and bonus incentive scheme, non-contributory pension scheme, family health insurance and life assurance.

Please send full career details to Colin D Campbell, Group Personnel Director, Newton Investment Management Limited, 71 Queen Victoria Street, London EC4V 4DR.

Newton Investment Management is regulated by IMRO.

HEAD OF AMERICAN INVESTMENT

Henley-on-Thames £neg. + usual benefits

Perpetual is one of the UK's largest and most successful unit trust groups with funds under management of around £7.4 billion. Our track record of consistent investment performance has won us many prestigious industry accolades.

Due to internal promotion, we are now looking to appoint a replacement Head of our American department. Candidates will need an established track record and the ability to head our team of fund managers covering the American market.

Funds invested in the USA currently amount to some £850m across onshore and offshore American unit trusts and international funds.

We offer attractive working conditions at a riverside location, together with a very competitive salary package and the usual range of benefits expected at this level.

Please send your CV, together with a covering letter which should highlight the ways in which you feel your experience and record will be of interest to us. All applications will be treated in strictest confidence and should be marked 'Private & Confidential' and addressed to: Robert Yerbury, Chief Investment Officer, at the address below:

Perpetual

Perpetual Investment Management Services Limited, Perpetual House,
47 - 49 Station Road, Henley-on-Thames, Oxon RG9 1AF
(Regulated by IMRO)

CW/300597/4863

Securitization Team

Locations: City of London and Germany
Competitive Salary and Banking Benefits

One of Germany's largest universal banking groups is expanding its international operations in Germany and London and has a requirement for a securitization execution executive.

The position would be reporting to the Head of Origination and Investments, responsible for structuring, developing and delivering structured finance solutions.

The candidate must be able to illustrate:

- Project leadership.
- Establishing off-balance sheet and special purpose vehicle structures, including asset re-packaging and securitizations.
- Arranging and executing third party client and in-house securitization mandates.
- Working with sales and syndications.
- Co-ordinating due diligence, management and administrative support.
- Reviewing new securitization transactions.
- Liaising with legal, marketing and other structured finance departments in different European regions.
- Experience with rating agencies in negotiating proposed structures.

Candidates must have a minimum of 4 years' relevant experience and a proven track record in closing structured finance transactions.

It is essential the candidate interacts well with the team and has strong written and oral skills. We would expect the candidate to be formally credit or audit trained with sound factoring or structured finance experience and an investment banking product track record.

Please send your full CV together with details of your current package to our recruitment consultant, Karen Lewis, at the address below.

JONATHAN WREN
SEARCH & SELECTION

Jonathan Wren Search & Selection Limited
34 London Wall, London EC2M 5RU
Telephone 0171 588 0828 Facsimile 0171 588 0829

Price Waterhouse
EXECUTIVE SEARCH & SELECTION

Chief Executive (designate)

Private client investment management

Excellent remuneration Central London

Running an office of around 25 staff, the Chief Executive will be responsible for the management and administration of the trusts and company interests associated with this prominent family. You will be a Director of the overall parent company and also a Director within some private company interests in the UK and overseas. In addition you will oversee the administration of the various trusts and investments and also play a key role in dealing with family members and their individual requirements, including taxation issues.

This is not merely an investment management or trust administration role. There are additional management demands in respect of leadership and ensuring value for money with regard to the services provided plus the need to deal with family members and beneficiaries on a regular basis.

This unique position calls for a combination of experience and skills. You could well be a chartered accountant or lawyer or possibly come from investment management or private banking. Whichever background you come from, you will have experience of dealing with private clients and investment and trust administration. You will certainly have reached a senior level and have experience of office and staff management and will be familiar with dealing with trustees and committees.

In terms of personal qualities, it should go without saying that we seek someone with integrity, discretion, tact and diplomacy. You should have the maturity to deal effectively and openly with people at all levels and ages and be able to thrive in an environment where you are providing a service to family members, even though you will have pressures and demands placed upon you from time to time.

We are looking for someone probably in their mid-late 40's who sees this as their final career move, but who still has the enthusiasm and energy to make a major contribution in this important role.

If you are interested, please write to Alannah Hunt, quoting reference A/1770 together with your CV, salary expectations and demonstrating how you feel you match these requirements. Applications should be received by 21 June.

Executive Search & Selection
Price Waterhouse Management Consulting Ltd
Southwark Towers
32 London Bridge Street
London
SE1 9SY
Fax: 0171 378 0647

Senior Dealing/Trading Roles

International Banking Group

Excellent Packages **Surrey**

Exciting opportunities for two senior dealing professionals to lead established team. Subsidiary of leading international banking Group. Provides niche market dealing in Foreign Currency Banknotes, FX and International Money Markets with large corporate and financial institutions worldwide.

Chief Manager, Dealing Room

THE POSITION

- Responsible for overall performance of specialist Dealing Team. Reports to Managing Director.
- Plan and implement Business Dealing Strategy to cover existing and new markets.
- Manage all dealing exposure and risk. Develop strong client and bank relationships.

QUALIFICATIONS

- Proven success in managing dealing operations with experience of international, FX, settlement practices and Banknote Dealing. Circa 10 years' experience.
- In-depth knowledge of FX products and treasury management.
- Strategic approach. Excellent communication and relationship management skills.

Senior Dealing Manager

THE POSITION

- Manage a regional Dealing Team. Responsible for controlling exposure and risk.
- Develop existing and new markets. Initiate strong client and bank relationships.
- Deputise for Chief Manager.

QUALIFICATIONS

- Record of successful management of dealing operations including, ideally, experience of international, FX, settlement practices and Banknotes Dealing. Minimum 5 years' experience.
- In-depth knowledge of FX products and treasury management.
- Excellent relationship builder. Strong decision making skills.

Please send full cv, stating salary, ref FS70601 and the position in which you are interested to
NBS, 10 Arthur Street, London EC4R 9AY
Fax 0171 623 1525 Tel 0171 623 1520

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EXECUTIVE SEARCH AND SELECTION

Compliance Professionals

Our client enjoys a global reputation as one of the world's leading investment banking institutions. Dedicated to complying fully with the laws and regulations that govern their business, they are now seeking to recruit two compliance professionals to join their Central Compliance Division.

Assisting the Compliance Director, the principal responsibilities and duties of these two positions within this critical and high-profile division will include:

Assistant Compliance Officer

Ongoing analysis and assessment of the impact of new regulations in EU member states arising from ISD Implementation. Reviewing investment research and helping develop the surveillance and monitoring capacity of the firm. Analysing UK regulatory initiatives for impact on the firm and developing the necessary changes in policies and procedures.

A sound knowledge of financial products, markets and businesses, together with a thorough understanding of applicable rules and regulations, is required. Ref: MGH122

Banking Compliance Officer

Providing dedicated compliance support for a business unit that specialises in arranging and syndicating loans and secondary debt trading. Assisting in investigating and responding to external enquiries and helping ensure the firm's compliance with trade and transaction reporting requirements.

Previous experience in commercial lending and knowledge of the regulatory requirements of the Bank of England and the SFA are required. Ref: MGH 123

Both roles will demand strong interpersonal skills and the ability to interact comfortably at all levels. You will be educated to degree level, and a professional qualification would be desirable. The salary and benefits package will reflect the importance the firm attaches to its compliance resources.

If you are interested in either role, please apply quoting the appropriate reference and enclosing a copy of your CV. All responses will be treated in the strictest of confidence and should be addressed to Martyn Hughes at:

Sammons Associates
EXECUTIVE SEARCH AND SELECTION

POUPART HOUSE, 46 FISH STREET HILL, LONDON EC3R 6BR.
Tel: 0171-293 7040. Fax: 0171-623 6011

FRES

PART OF THE SAMMONS GROUP

EXPLOIT YOUR TREASURY AND CAPITAL MARKETS EXPERTISE WITH US

London **negotiable to £100,000 + benefits**

Use your knowledge of treasury and capital markets to work with the most prestigious multinational corporations and financial institutions at board level.

Deloitte & Touche has a very successful and rapidly growing global treasury practice providing the full range of services such as implementing financial risk management strategies and methodologies.

We are recruiting actively at all levels. With at least two years relevant experience you can join this high profile team where you will expand your knowledge by helping world class businesses solve complex problems. An accountancy qualification or MBA will be an advantage.

Please send a comprehensive CV, including current salary details and a daytime telephone number to Derek Ross at: Stonecutter Court, 1 Stonecutter Street, London EC4A 4TR.

Deloitte & Touche

Deloitte Touche
Tohmatsu
International

For each of the following branches
Moscow, Prague and Warsaw,
a Major International Bank seeks one

Senior Relationship Manager

Through an extensive worldwide network, the bank is continuously reinforcing its international presence in corporate and investment banking *as well as capital markets, with* a major focus on emerging countries including Eastern Europe.

The position: you manage the relationship with the largest local and international firms of the country by detecting the business opportunities, designing the solutions with the product specialists based throughout the world and by following the implementation.

The candidates: you have 7-10 years international experience in a leading investment bank in these countries or in a major financial center.

The knowledge of the local language and English is prerequisite; another European language is a plus.

You *must have* in-depth knowledge of the country including its economic environment. Initiative and creativity are required. A team player spirit is essential. The size and human resources policy of the bank will give broad career opportunities to successful candidates.

Please send your application to
Media System, Garden House, Cloisters
Business Centre, 8 Battersea Park Road,
London SW8 4BG,
on the reference 45567.

EMERGING MARKETS, FIXED INCOME

ECONOMIST

Salary range £40 – 50k + bonus

As a recognised leader in the fixed income and equity markets, this International Investment Bank provides a comprehensive range of products and services in the primary and secondary bond and equity markets, currency and interest rate swaps and options, fixed income and equity derivative products and specialised instruments.

They are currently looking to recruit a professional to support the senior economist, providing support to the Emerging Markets desk. A key part of the role will be to produce macro economic analysis of African countries, as well as regions within Eastern Europe and Middle East.

The successful candidate will ideally have a PhD in Economics, a strong foundation in macro economic theory and applied country analysis, including exposure to the economics of Africa and Eastern Europe. Preference will be given to candidates who also have knowledge of African languages.

A competitive package and excellent career opportunities are offered to attract the very best candidates.

Please apply, quoting reference *R0003* and enclosing your CV to Vanessa Rainbow, GMBM Response Management Services, 22 Little Portland Street, London WIN 5AF.

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DEBT CAPITAL MARKETS DESK

ORIGINATION SUPPORT

As a recognised leader in the fixed income and equity markets, this International Investment Bank provides a comprehensive range of products and services in the primary and secondary bond and equity markets, currency and interest rate swaps and options, fixed income and equity derivative products and specialised instruments.

The Debt Capital Markets desk is responsible for the origination of fixed income instruments, derivative based liability management and structured products. Due to the expansion of their European business an opportunity exists in London for an analyst to join the team supporting senior originators covering Europe. The role will involve preparation and development of client proposals and research into markets and instruments with a collaborative effort in a close knit team environment. Career opportunities exist for the appointee to develop into an originator for new issues and derivatives.

The successful candidate will be educated to degree level and have at least one year's experience as a Debt Capital Markets Analyst within an Investment Bank. The candidate will be highly numerate with proven quantitative skills together with experience of Word, Excel and PowerPoint. Fluency in a European language in addition to English is preferred.

A competitive salary and excellent career opportunities are offered to attract the very best candidates.

A detailed CV and covering letter should be addressed to Mrs V Rainbow, GMBM Response Management Services, 22 Little Portland Street, London WIN 5AF, quoting ref. R0005

GMBM
RESPONSE
MANAGEMENT
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A division of GMBM Advertising and Research

PRIVATE CLIENT SERVICES ASSOCIATE

London

As a leading global securities Firm and US investment bank, our client is looking for a high calibre individual to join their Private Client Services Division at Associate level.

The following attributes are essential:

- A superior academic background to include an MBA or PhD
- A Law degree from a leading University
- Experience of working in a Legal Firm in an advisory capacity
- Experience of working in a bank with experience in FX Trading, Corporate Finance, Securities, Trade Finance and Treasury Operations
- Experience of working and living in a Central European country
- High energy level and ability to cope in a highly pressurised environment
- Fluent in Russian, Bulgarian and English and a working knowledge of German and French

Please write enclosing a full CV to: The Confidential Reply Handling Service, Ref: 727, Associates in Advertising, 5 St John's Lane, London EC1M 4BH.

Applications will only be forwarded to this client, but please clearly indicate any organisation to which your details should not be sent.

aia
HR MARKETING & COMMUNICATIONS

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FINANCIAL RECRUITMENT SPECIALISTS
LONDON • NEW YORK • ASIA

RISK ANALYSTS

Major US investment bank requires VP/senior analyst level individuals with financial institutions and/or international corporate industry expertise for counterparty risk and M&A advisory roles. Strong credit research backgrounds required. German, Spanish, or Italian language skills a plus. Positions are London based.

STRUCTURED FINANCE OFFICER

City based firm seeks a director level candidate with asset backed securitization expertise and 5-10 years credit analysis experience. Individual will spearhead securitization team. Position is London based.

EMERGING MARKETS SPECIALIST

Leading US house seeks VP with East European/Russian expertise. Credit or fixed income research background in sovereigns or financial institutions required. Position is London based.

FIXED INCOME RESEARCH ANALYSTS

- AVP/analyst level individuals with asset backed or commercial real estate industry expertise. Strong credit skills required for these major firms. Credit card/consumer loan specialization a plus. Loan portfolio work also useful. Positions are London and New York based.
- VP/senior analysts with property casualty, life, and/or mortgage insurance industry expertise required for leading international research house. Positions are London and New York based.
- VP with bank industry expertise required for major international investment firm. Position is based in Hong Kong and requires knowledge of *the Asian region. Cantonese or Mandarin* strongly preferred.

CLIFFORD & CO • 58 Palace Court • London W2 4JB
Tel: 0171-792 5236 • Fax: 0171-792 5237

European Investment Analyst

£Competitive Plus Benefits

Our client is a major European Investment House with some $10 billion under management on behalf of global institutional clients.

An exciting opportunity has arisen on their European Desk for an Investment Analyst with 2-3 years experience of looking at specific geographical areas within Europe. Your role will be to assist the Investment Manager in the search, analysis and selection of a variety of Continental European small and mid caps companies for a variety of specialised investment vehicles.

The successful candidate will be expected to spend a high percentage of their time looking at the French market and therefore will need to be a fluent French speaker. A third European language ability is desirable as the job holder will have the opportunity to travel to Europe on a regular basis.

Interested applicants should forward their cv together with full salary details in confidence to Trevor Robinson at the address below.

JONATHAN WREN

JONATHAN WREN & CO LTD,
FINANCIAL RECRUITMENT CONSULTANTS
No.1 NEW STREET, LONDON EC2M 4TP
TEL: 0171 623 1266 FAX: 0171 626 5257 P30355

CoreStates Bank

Global Financial Services - Asian Corporate Market

CoreStates Bank N. A. is the principal domestic banking subsidiary of CoreStates Financial Corp., a Philadelphia-based bank holding company with $45 billion in assets, marketing diversified financial services in the United States and selected products and services worldwide through 6 overseas branches and 24 overseas offices.

Relationship Manager. This Philadelphia-based position provides an excellent opportunity to lead an initiative targeting Asian-based corporates. The initiative will be leveraged off of an existing portfolio of US subsidiaries, as well as opportunities developed through our extensive Asian branch network and our rapidly growing global trade services business. The focus will be on cross-selling CoreStates' credit and non-credit services, and credit management of overseas markets.

Requirements. A minimum of three years banking experience, with strong sales, negotiating and transactional skills. Strong technical knowledge of credit risk. Prior living/travel experience in Asia. Language proficiency important but not critical. Excellent communication, interpersonal and customer service skills.

Please forward your curriculum vitae to: CoreStates Bank N.A., Human Resources, F.C. 1-3-8-34, MS/RM P.O. Box 7558, Philadelphia PA, 19101-7558 USA. Fax 1-215-973-2402.

FORFAITING

An exciting opportunity has arisen for two experienced à forfait traders to join a new finance company being established in London in association with a major international bank. The traders will be expected to be active in the secondary market. The shareholders of the new Company, who are themselves experienced forfaiters, will assist in the sourcing of assets. The successful senior candidate will be appointed as a Director.

There are positions available for a Senior and Junior Trader with at least 5 and 2 years respectively of relevant experience with a major forfaiting house. The shareholders have a dynamic and imaginative approach to business which should be shared by the candidates.

The remuneration package, which will include a significant level of profit related bonuses, will be competitive and reflect the experience of the successful candidates.

To apply, please write, enclosing your c.v., to Box A5452, Financial Times, One Southwark Bridge, London SE1 9HL. Your application should include a note of your current remuneration package and advise for which of the two positions you are applying.

Emerging Markets team of an established International Bank require two new members who must be fluent in English, Russian and one other Eastern European Language:

1) **CREDIT ANALYST** educated to Graduate or Master level in Finance/Business related subjects. Minimum 12 months experience in a similar role within Eastern European markets. Salary c35k.

2) **MIDDLE OFFICE ASSOCIATE** educated to Master level in International Management and Finance. Knowledge of Eastern European markets and relevant experience. Salary c35k.

Please apply, in writing to PO Box 417, London EC3V 4QH

FUND MANAGER

Successful, growing independent fund management group (EC1) requires trainee portfolio manager, with mature outlook, to work in a team of three. Aged 20-24, with 2 years experience in the city. Attractive career prospects are on offer for the right person.

Replies in confidence to:
Box A5455, Financial Times,
One Southwark Bridge, London SE1 9HL

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Experienced International director large plc & small manufacturing companies. Successful management of technical innovation Europe, US, Japan; integration of new acquisitions/JVs into global activities. Available for active/advisory role.

Tel: (UK) 01244 343891

EXECUTIVES & MODELLERS

CORPORATE FINANCE

To £35,000 + excellent bonus potential

The client is a major international investment bank with a global focus. Corporate Finance has enjoyed considerable success resulting in sustained growth throughout the division.

As a consequence a number of new openings exist at Executive level for candidates capable of taking initiative and executing tasks with minimal supervision. Corporate Finance covers a wide range of products from M&A, advisory, privatisation etc and is divided across industry sector specialisation.

Candidates will be newly/recently qualified ACA's preferably with some exposure to corporate finance activities. Alternatively you will be an experienced corporate financier from a banking background, seeking more defined and fluid career progression. All candidates should possess first class academic qualifications and excellent interpersonal skills.

PROJECT FINANCE

c£30,000 + excellent bonus potential

The advisory and lending functions of this leading player in the field of Project Finance have created new openings for modellers to assist in the execution of transactions.

Their increasing profile in the market has resulted in significant success in securing major manadates in both advisory and lending. The bank has a firm policy of internal progression and as such has created openings for modellers working across a wide range of industry sectors *on an international scale.*

Candidates will ideally possess previous project finance experience gained from a banking, practice or industry/sponsor environment. Alternatively excellent modelling/cash flow forecasting skills gained from an accounting firm would also be considered. Excellent academic's together with a team playing attitude and the desire to succeed are essential criteria.

For further information and a confidential discussion please contact David Goodrich or Julian Darey

Prime Executive
Bell Court House, 11 Blomfield Street, London EC2M 7AY
Tel: +44 (0)171 628 0770 Fax: +44 (0)171 638 9667
A member of the Prime International Group of Companies

Emerging Markets team of an established International Bank require two new members who must be fluent in English, Russian and one other Eastern European Language:

1) **CREDIT ANALYST** educated to Graduate or Master level in Finance/Business related subjects. Minimum 12 months experience in a similar role within Eastern European markets. Salary c35k.

2) **MIDDLE OFFICE ASSOCIATE** educated to Master level in International Management and Finance. Knowledge of Eastern European markets and relevant experience. Salary c35k.

Please apply, in writing to PO Box 417, London EC3V 4QH

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هكذا من الاصل

DERIVATIVES ASSOCIATE

London

Our client, a prestigious US Investment bank, is looking for a high calibre and experienced professional at Associate level to join our Derivatives business.

The following attributes are essential:

- Strong quantitative skills and a superior academic background to include an MBA and a primary degree in Computer Engineering and Electrical Engineering
- Mathematical expertise gained during academic studies
- At least 5 years' experience in Software Engineering and Systems Architecture, with specific emphasis on software development, product strategy and writing/implementing marketing plans
- Sales and presentation experience to computing firms at international conferences
- Experience in a US Investment bank working with structured Fixed Income Derivatives products
- High energy level and be able to cope in a highly pressurised environment
- Proven interpersonal skills

Please write enclosing a full CV to: The Confidential Reply Handling Service, Ref: 725, Associates in Advertising, 5 St John's Lane, London EC1M 4BH.

Applications will only be forwarded to this client, but please clearly indicate any organisation to which your details should not be sent.

aia

HR MARKETING & COMMUNICATIONS

PROPRIETARY TRADER

London

Our client, a prestigious US Investment bank, is looking for a high calibre and experienced Proprietary Trader to join our Foreign Exchange business.

The following attributes are essential :

- Minimum 13 years' experience in Foreign Exchange as a Trader and a Salesperson
- Good knowledge of Swiss currency policy
- Must have a large portfolio of Swiss customers
- Must have fluent German and a working knowledge of French
- Proven interpersonal skills
- Experience in teaching Foreign Exchange products

Please write enclosing a full CV to: The Confidential Reply Handling Service, Ref: 726, Associates in Advertising, 5 St John's Lane, London EC1M 4BH.

Applications will only be forwarded to this client, but please clearly indicate any organisation to which your details should not be sent.

aia

HR MARKETING & COMMUNICATIONS

CREDIT RESEARCH ANALYST

Competitive Salary · City

Our client, one of the world's leading financial institutions, operates a global credit business and profit centre. Business growth and an increasing focus on European Emerging Markets means they need an additional Credit Research Analyst. The team covers corporates and financial institutions and supports risk managers and product teams within the bank. It also provides analysis and credit opinions on specific industries and companies, and advises on and structures transactions.

To be considered, you will need outstanding finance-related qualifications, including an MBA; 2+ years' credit analysis experience in a major rating/regulatory agency or in credit/equity research; extensive knowledge of European Emerging Markets, including Romania, Hungary, Bulgaria, Kazakstan and Russia; fluency in at least one other European language; and first-class communications skills.

In return, our client is offering a competitive package and excellent prospects.

To apply, please send full career details, quoting ref: 733, to: Alastair Lyon, Confidential Reply Handling Service, Associates in Advertising, 5 St John's Lane, London EC1M 4BH.

Applications will only be forwarded to this client. However, please indicate any organisation to whom your details should not be sent.

aia

HR MARKETING & COMMUNICATIONS

HEAD OF EQUITY RESEARCH - KOREA

A first tier European international investment bank, with a significant presence in eight Asian markets, is expanding its activities in the region. Our client is seeking to appoint a head of research for the Seoul office. This is a research-oriented firm with a history of developing rated analysts and research teams.

The head of research will be in an excellent position to establish a quality product in a market at an early stage in its development. This is a senior appointment which offers participation in executive management and a large amount of independence within a regional research team.

Reporting to the managing director and to the regional head of research, the primary responsibility will be to build a team and develop the firm's Korean equity research product. International marketing to global institutions and participation in corporate finance will be an intrinsic part of this role.

The successful candidate will have a minimum of four years' experience in equity analysis or fund management attained in a mature financial market. In addition to excellent presentation skills, they must demonstrate team building and leadership qualities.

In complete confidence please send a comprehensive CV or contact Ann Brier, Account Director at Asia Pacific Consulting Limited, by 20 June 1997.

19/F Queen's Place, 74 Queen's Road Central, Hong Kong.

Tel: (852) 2525 1181 Fax: (852) 2525 6212: E-mail: abrier@hkstar.com

European Institutional Equity Derivatives Sales

European equity derivatives value sales desk seeks qualified individuals to join sales effort focusing on volatility brokerage (OTC and listed options on stock and indices), basket trading on a back to back basis in major European markets, arbitrage opportunities in stocks, warrants and options strategies for their global client base. The group is part of a major international bank with AA credit rating. Positions will be available for the first three months in the Frankfurt office, after that also in London and Paris.

Please fax your CV to Frankfurt office 0049-69-710-7795

Attn: European equity derivatives sales

Corporate Finance Professionals

Deutsche Morgan Grenfell operates in over 30 countries and has over 9,000 staff. In the Asia Pacific region, we employ 2,000 people in 17 countries.

Our Investment Banking Division advises on and executes equity and equity-linked primary and secondary transactions, mergers & acquisitions, privatizations and corporate restructurings. As part of the expansion of our Hong Kong and Singapore offices, we are looking for corporate finance professionals to work in our Asian Investment Banking Division.

The successful candidates must have:

- 2-3 year's corporate finance and/or strategic advisory experience in a US "bulge bracket" investment banking firm
- Significant transaction experience
- Proficiency in conducting sophisticated valuation analysis, including DCF modelling and comparable companies analysis.

We offer a competitive compensation package. Applications will be treated in strict confidence. Only shortlisted applicants will be notified.

If you enjoy working in a challenging environment and seek opportunities for career development, please send your résumé by 15 June 1997 to:

The Managing Director and Head of Investment Banking Division
Deutsche Morgan Grenfell
20 Raffles Place, #26-01 Ocean Towers, Singapore 048620

NB. Please mark "Ref: Asia IBD" on the envelope.

Deutsche Morgan Grenfell

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For further information please call:
Toby Finden-Crofts on
+44 0171 873 4027

GROUPE ANGLO-SAXON MULTINATIONAL DE TRAVAUX OFFSHORE (SECTEUR PARAPÉTROLIER)

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Disponible pour de fréquents déplacements à l'étranger,
de formation supérieure en comptabilité/finances,
avec une dizaine d'années d'expérience acquise au sein d'un groupe anglo-saxon,
sa pratique de l'anglais sera parfaite.

Le poste est basé dans une grande ville du sud de la France.

Merci d'adresser votre candidature (lettre manuscrite, C.V., prétentions) sous référence 300899 aux « Echos » 46, rue La Boëtie – 75381 Paris Cedex 08.

BANK RATING EXPERT

Highly experienced analyst specialising in the assessment and rating of banks in developed and emerging markets. Excellent written, oral and computer skills. English, French and German languages.

Seeking new challenging openings in London or other world financial centres, preferably on a freelance basis, short/long-term assignments.

Reply to Box A5437, Financial Times, Southwark Bridge, London SE1 9HL

ACCOUNTANCY APPOINTMENTS

Finance Director

Telecommunications

From £70,000 North West

NORWEB Communications is a fast growing regional telecommunications company, changing the face of telecommunications in the North West.

As part of United Utilities plc Group, NORWEB Communications has been highly successful in penetrating the business telecomms market through the provision of high quality services based on the latest in fibre optic and digital switching technology.

Having recorded revenues of £12 million in 96/97, NORWEB Communications has ambitious plans to increase revenues significantly within the next few years through continued development of local business markets and expansion into new market areas. To facilitate this exponential growth, a restructured group of businesses is being established to manage existing and new telecommunications ventures providing an exciting new role for a first class Finance Director.

As a key part of the management team, this high profile role calls for broad domestic and international experience of the telecommunications industry.

The successful candidate will be responsible for business, economic and financial planning, investment appraisal and the direction of the financial and management accounting function within the telecommunications division. Reporting to the Managing Director of Telecommunications, this is an opportunity to take the financial helm of a major business within the United Utilities Group.

A good degree and a UK accountancy qualification are prerequisites as is experience of a senior financial management role in a telecommunications company.

This is a real chance for an ambitious candidate to play an important part in developing a significant business and offers a salary upwards of £70,000 with a first class benefits package.

Please write with your CV to Paul Child, quoting reference PC1716, at Kramer Westfield Search and Selection, The Old Pound House, London Road, Sunningdale, Berkshire SL5 0DJ. Tel: 01344 875087. Fax: 01344 874877. Email kw@kramwest.com

NORWEB operates a no smoking policy.

Equal consideration will be given to all applicants irrespective of race, gender, creed or disability.

NORWEB communications

a United Utilities

Kramer Westfield
SEARCH AND SELECTION

The best Leadership Development Programme in the world?

Challenging global assignments

The world leader in terms of market capitalisation, the most profitable business in the US and one of Europe's fastest-growing giants, there is no better company than General Electric in which to pursue an international career. GE's premier leadership development programme - its 250-strong global Audit Staff - leverages existing business experience to prepare you for senior management. Offering a chance to touch all of GE's 12 core businesses, from financial services to light bulbs, aircraft engines to network broadcasting, it is the best training ground, the best self-development programme and the fastest career path to leadership within GE's $79 billion global corporation.

A multi-disciplinary, multi-cultural team, the Audit Staff's brief is wide-ranging: if something is important to GE's success, the team is at the heart of it. Whilst financial integrity and compliance are vital, anything that has an impact on performance is analysed and challenged in order to develop and implement plans for far-reaching change.

Individuals undertake three assignments a year in different businesses and at varying locations worldwide, carrying out proactive financial reviews and due diligence investigations, looking at critical business processes, spreading best practices, questioning the status quo and driving improvements in speed, quality and productivity. Thorough and detailed in its work, the Audit Staff's aim is to make GE's businesses not a little better but dramatically better. Assignments cover all continents and all functions, from finance and leasing to service, quality, IT and manufacturing. Working closely with fellow team members, you will work hard and play hard. The travel is demanding - you will be away on assignment or training 100% of the time - but the fly-home policy and benefits are generous and flexible.

From day one, the learning curve is steep. A constant review programme ensures that training and assignments are tailored to match your needs. On the job development is combined with approximately six weeks of training in the first year, with courses ranging from systems and finance to presentations, quality and leadership. Led by some of the best business and academic minds from within GE and externally, training continues throughout your career.

The learning opportunity is so enormous and the breadth of experience so wide that you will make rapid progress. Following an initial four month assimilation period, Associates are typically promoted after a year and become Managers after two; three years' experience prepares you for a leadership role anywhere in the world.

The qualifications required are simple: an outstanding academic record, at least 2-3 years' work experience and evidence of real achievement in any function of a major corporation or professional firm. Language skills - European or Asian - are also essential. Most important, however, is a real desire to make an impact, maximise your potential and ultimately to lead others. You will need enormous energy, relish change and have a passion for excellence. You must also have strong analytical skills and a truly international mindset, with the ability to drive quality and change in a company that detests red-tape and bureaucracy.

In return, GE offers challenge, exhilaration and opportunity on an accelerated development programme unlike anything else in the business world today.

If you would like to take up that challenge, please write today to our advising consultants at the address below enclosing a copy of your CV and current salary details quoting ref 214. Alderwick Consulting Limited, 95 Fetter Lane, London EC1A 1EP. Fax (+44) 171 242 2560. For more information telephone (+44) 0171 242 9191 (weekdays) or (+44) 181 467 1408 or (+44) 966 119056 (evenings and weekends).

GE is an equal opportunity employer

**Not connected with the English company of a similar name.*

USA*

GE

Mean Fiddler.

The Mean Fiddler Organisation is the biggest live music promoter in the U.K. We operate music venues and festivals in the U.S.A. and Ireland as well as in the U.K., and future plans include venue and festival opportunities in Europe. We wish to recruit a first class Group Financial Controller who is currently working in a multi-company dynamic environment. Experience of Sun accounting systems would be an advantage. Please send a detailed C.V. to Michael O'Keeffe, 22/22a High Street, Harlesden, London, NW10 4LX.

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For further information please call:
Toby Finden-Crofts on +44 0171 873 4027

ACA - PARTNER DESIGNATE

£35,000 plus accommodation & benefits

An outstanding opportunity to join a major, well established, international, professional firm as part of a multi-disciplinary team in Warsaw, and later, Prague.

Our clients offer a range of Professional services to many global and local organisations, including company secretarial coupled to contract accountancy and an audit facility. You'll provide technical support and management supervision of a large team of accountants and bookkeepers, help develop the auditing capability, and assist in client relationships including financial reporting. Polish, French or German would be useful but not as much as a strong professional practice background and the need to succeed in a dynamic environment.

Please phone or send CV to: John Hyde FCCA or Rachel Clark BA(Hons.)

ACCOUNTANCY PEOPLE
28 East Parade LEEDS LS1 2BH
0113 242 2141

INTERNATIONAL UPSTREAM OIL AND GAS

Finance Manager, West Africa

Ranger Oil is a Canadian Exploration and Production company with a long and successful history as an independent. Over the past several years, the Company has expanded operations beyond North America and North West Europe to West Africa, where it operates in Angola and Namibia and has interests in other countries in the region. An immediate vacancy exists, in Luanda, Angola, for a **Finance Manager** to provide business support and financial expertise for the Company's operatorship in Angola and, in the future, other locations in West Africa, which has been identified as a strategic area for the Company's future exploration and production activities.

The Finance Manager reports directly to the General Manager, Angola, with functional guidance from the Director, Finance located in the Company's UK office in Guildford, Surrey. Ideally, candidates will have at least 10 years post qualification experience in the industry, either with an operating or service company and will have managed a small finance group providing financial and management reporting services.

A key responsibility is to ensure compliance with relevant local and international laws and to provide financial information which will be used to make effective management decisions. Also of critical importance will be liaison with third parties, including government officials, state oil companies and partners. Candidates must demonstrate good communications, organisational and people skills to successfully manage these elements of the job. Competency in Information Systems is also required, as the Finance Manager will supervise this function locally. Finally, experience in working in international locations, preferably in Africa and a talent for languages are highly desirable in this position.

The appointment is for a two year assignment, which may be renewed upon completion. Residency in Luanda is required and an attractive overall remuneration package is in place to recognise the location and demands of the position.

Interested, qualified candidates are requested to write an introduction letter referencing this advertisement and provide a current CV, by 27 June, in confidence to:

Human Resources, West Africa, Ranger Oil (U.K.) Limited, Ranger House,
Walnut Tree Close, Guildford, Surrey GU1 4US.
E-mail address: jbooth@guildford.Ranger-OIL.com

RANGER OIL

Price Waterhouse

EXECUTIVE SEARCH & SELECTION

Chief Executive (designate)

Private client investment management

Excellent remuneration Central London

Running an office of around 25 staff, the Chief Executive will be responsible for the management and administration of the trusts and company interests associated with this prominent family. You will be a Director of the overall parent company and also a Director within some private company interests in the UK and overseas. In addition you will oversee the administration of the various trusts and investments and also play a key role in dealing with family members and their individual requirements, including taxation issues.

This is not merely an investment management or trust administration role. There are additional management demands in respect of leadership and ensuring value for money with regard to the services provided plus the need to deal with family members and beneficiaries on a regular basis.

This unique position calls for a combination of experience and skills. You could well be a chartered accountant or lawyer or possibly come from investment management or private banking. Whichever background you come from, you will have experience of dealing with private clients and investment and trust administration. You will certainly have reached a senior level and have experience of office and staff management and will be familiar with dealing with trustees and committees.

In terms of personal qualities, it should go without saying that we seek someone with integrity, discretion, tact and diplomacy. You should have the maturity to deal effectively and openly with people at all levels and ages and be able to thrive in an environment where you are providing a service to family members, even though you will have pressures and demands placed upon you from time to time.

We are looking for someone probably in their mid-late 40's who sees this as their final career move, but who still has the enthusiasm and energy to make a major contribution in this important role.

If you are interested, please write to Alannah Hunt, quoting reference A/1770 together with your CV, salary expectations and demonstrating how you feel you match these requirements. Applications should be received by 21 June.

Executive Search & Selection
Price Waterhouse Management Consulting Ltd
Southwark Towers
32 London Bridge Street
London
SE1 9SY
Fax: 0171 378 0647

Manager Finance Projects

Germany **Competitive package**

adidas AG has an internationally renowned brand name and a reputation for product innovation which has enhanced its competitive position.

The finance function has global responsibility for management and financial reporting, investor relations, mergers and acquisitions, treasury, IT, accounting systems, other finance matters and ad-hoc projects.

There is now a requirement for an *experienced individual to join the central* finance team, acting as a proactive project co-ordinator covering a number of global and local projects. Working closely with the Chief Financial Officer, these could range from macro projects such as assessing the impact of a common European currency on the business or implementing a global forecasting system, to looking at more local taxation and regulatory issues. The role will also develop into acting as the in-house consultant for all finance related matters.

An MBA from a leading business school and preferably a Chartered Accountant or CPA, *you will have three to four years' finance or* corporate planning experience with a major global corporation or be working for a reputable management consultancy firm.

Cultural awareness of the German marketplace and fluency in German and English are pre-requisites. Preference will be for individuals with branded consumer products knowledge coupled with strong project management experience. You will be a highly motivated team player with initiative and good communication skills.

This is an outstanding opportunity to join a high profile multinational corporate with strong growth prospects. Career enhancement opportunities are excellent and the package, depending on experience, will include an annual bonus, company car and the fringe benefits associated with a position at this level.

Interested applicants please send a full résumé, quoting reference number 2506A/02 to Anthony Cook at Morgan & Banks PLC, Brettenham House, Lancaster Place, London WC2E 7EN or if you prefer, telephone 0171 240 1040.
Fax Number 0171 240 1052.
E-mail: info@morganbanks.co.uk
Internet Home Page:
http://www.morganbanks.com.au

adidas

CASPIAN

Global Emerging Markets

OPPORTUNITIES IN FINANCIAL MANAGEMENT

A fast growing Emerging Markets investment group, Caspian is building a wide ranging investment banking franchise to provide securities trading, corporate finance, asset management and research services to an international client base. Established in 1995, we now have over 290 staff located in London, New York, South America, India and the Far East. Headed by an impressive executive team, we are building our resources to meet the challenge of rapid business expansion. Our finance function needs to recruit three talented individuals who will make a critical contribution to the development of the business support and control infrastructure.

Global Reporting Accountant

- Accounting for European holding companies; consolidation of Group financial statements.
- Collation and analysis of management information.
- Co-ordination of the budgeting process.
- Management of a small London team and liaison with Regional Controllers.

Global Tax Manager

- Wide ranging responsibility for corporate tax on an international level, and for personal tax and VAT.
- Extensive involvement in international tax planning.
- Liaison with external contacts across a variety of jurisdictions.
- Based in London.

Internal Audit Manager

- "Greenfield site" opportunity to establish an operational audit function.
- Global brief covering Europe, the Americas, Asia and India; could be based in London, New York or Hong Kong.
- High level influence, reporting to the Board.

Candidates for these roles will be energetic, flexible individuals who thrive on responsibility and will enjoy the opportunity to make a contribution to a dynamic young organisation. Securities industry experience is desirable. Intelligence, technical skill, business understanding and the desire to be involved in an exciting group are pre-requisites; remuneration levels and career development potential will be highly attractive.

Please write to our advising consultant Janet Bullock at BBM Selection, 76 Watling Street, London EC4M 9BJ quoting ref: 437 and the role for which you wish to be considered, and enclosing a CV that includes contact telephone numbers. Any agency or direct applications will be forwarded to BBM. All applications will be handled in the strictest confidence.

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appears in the UK edition every Wednesday & Thursday and in the International edition every Friday.

For information on advertising in this section please call

Courtney Anderson
0171 873 4153
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GROWTH IN A CARING ENVIRONMENT

FINANCIAL CONTROLLER

Potters Bar

Circa £35K

CareTech Community Services is one of the leading private providers of special needs care in the Northern Home Counties. It provides a range of residential and day-care services. Founded in 1993, the company has grown substantially and in 1996 raised funds from a leading private equity house for further expansion.

The company now needs to appoint a commercial financial controller who will assume the day to day financial leadership of the business and install the controls necessary to manage the projected growth. You will also be expected to take responsibility for developing the IT function in a multi-sited operation. A key issue is empathy with the providers and recipients of care.

You will be a graduate ACA/CIMA with one/two years PQE in commerce/industry or currently in a senior role with a professional firm in public practice, with the ability to be promoted to a board position within one/two years. Reporting to the Managing Director, you will provide the administrative fulcrum of the business. You will be working with a creative and innovative small senior management team committed to providing a meaningful and rewarding lifestyle for its clients.

Please apply to our recruitment consultants quoting reference 1299/FT, to Adrian Wheale or Mark Dichler at Wheale Thomas Hodgins Plc, Executive Resourcing, 13 Berkeley Square, Clifton, Bristol, BS8 1HG.

CARETECH
COMMUNITY SERVICES LTD

GROUP FINANCIAL CONTROLLER

City **c£55,000 + car**

Our client, an extremely well established plc. within their field, provides professional advice, products and services to the insurance, corporate and financial markets on a global basis. The Group, with over 100 offices in the UK and overseas, has achieved consistent year on year growth, current t/o c£100m. plus, through a small management team at Head Office.

As a consequence of internal promotions a Group Financial Controller is to be appointed who will undertake a hands-on role providing key financial and management input to Board members at Head Office. Responsibilities will include leading the group's corporate reporting on financial matters including company secretarial and taxation issues, providing guidance and sound technical advice to the varied businesses in the field, to maintain and enhance the scope of the central finance function and to contribute to strategic planning including new business evaluation.

Candidates for this challenging role should be graduate qualified chartered accountants, probably aged mid 30's, with a strong track record and broad financial management experience. First class accounting skills coupled with excellent inter-personal abilities and an enthusiastic and pragmatic approach are pre-requisites as the successful candidate will be working and liaising at all levels within this progressive group.

Please write enclosing full curriculum vitae, quoting ref 662 to:
Philip Cartwright FCMA, Cartwright Consulting, 3 Wigmore Place,
Cavendish Square, London W1H 9DB Tel: 0171 371 9476 Fax: 0171 371 9478

CARTWRIGHT CONSULTING
FINANCIAL SELECTION & SEARCH

International Investment Bank - Financial Management Opportunities

This leading investment banking subsidiary of one of the world's largest banks is continuing to diversify it's Eurobonds, Government Bonds and Investment Management businesses. At the beginning of this year the company initiated a substantial reorganisation of it's finance function, which has led to an increased need for enhanced management information systems and high calibre finance professionals. In order to support this programme of change management, it is now looking to recruit for the following two positions:

Financial Controller

To £65,000+Banking Benefits

Working closely with and reporting to the Head of Plans and Controls, this role will involve:-

- Managing, integrating and developing a team of 10 staff in the areas of financial and regulatory reporting, revenue analysis and management accounting.
- Establishing and implementing priorities in the finance department.
- Handling major systems developments in order to address the needs of the business.
- Liaison with senior management on all strategic and operational issues.

This is a key role in the organisation and suitable candidates will be qualified accountants with financial services sector experience. Additionally, you should be able to demonstrate management experience and a track record of effecting change.

Revenue Analysis Manager

To £45,000+Banking Benefits

Reporting to the Financial Controller, this role will involve the following:-

- Working closely with the dealing room in the analysis of trading results, with commentary by income source.
- The enhancement of business systems in order to improve the quality of management information being produced.
- Managing a team of three in the production of daily/monthly management accounts.
- Established accounting procedures and reporting arrangements in connection with future business diversification plans.
- Liaison with senior management on all operational issues.

Suitable candidates should be qualified accountants with financial services sector experience, ideally covering a range of products. Additionally this is a role which will require strong interpersonal skills and management qualities.

Hall
ALEXANDER

These roles represent excellent opportunities for ambitious individuals to join a progressive organisation where you will influence the nature of financial management within the business.
For further details please contact our advising consultant Gary Hall on 0171 240 2101 quoting Ref GH1050 or write to him enclosing a full curriculum vitae at the address below.
Hall Alexander, Financial Recruitment Consultants, Wellington House, 8 Upper St Martin's Lane, Covent Garden, London WC2H 9DL Tel: 0171 240 2101 Fax: 0171 240 2060

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Off-shore Trust Officer

Switzerland **Excellent Overseas Package**

Our client is a prestigious international group with worldwide offices specialising in the establishment and administration of off-shore trusts and companies. The company focuses on advising individuals, family groups, business and professional firms on international tax planning, structuring, administration and the supervising of clients' investments.

Our client is looking to recruit a qualified accountant with the following attributes:
- Experience of trust and off-shore administration work.
- A confident and credible personality.
- Knowledge of the investment markets.
- Excellent communication skills.
- An interest and commitment to working and living abroad.
- The ability to quickly establish relationships with a variety of private clients.

If you are interested in this position please send or fax a full curriculum vitae stating current remuneration details to Joanna Adolph at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LN. Fax +44 171 405 9649, Tel +44 171 269 2341.

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ahrend

Financial Controller

Chiswick, West London **c £50,000 Package + Car**

An innovative, stimulating business driven by sound marketing policies and impressive plans for future growth, Ahrend is a leading force to the supply of premier quality office furnishing and associated design products. The expanding UK operation accounts for some £18 million of the International Group's turnover which is in excess of £250 million.

'Ambitious' would certainly describe the ideal individual sought to develop this key role and the company's future plans. Reporting to the Managing Director, the emphasis is genuinely on the commercial input you can provide to drive the business forward – increasing both market share and profitability.

Whilst day-to-day management of a loyal, capable finance and IT team will be your responsibility, other likely areas of involvement will include: maintaining and enhancing client relationships, financial strategy and planning, management reporting and financial control, liaising with international colleagues.

Applications are invited from driven, motivated, qualified accountants, ideally aged in their late 20s to early 30s, who can demonstrate a desire to succeed through hard work and a 'winning' outlook. A minimum of 3-4 years post qualified experience is essential, some of which is likely to have been gained within a trading environment. However, the dynamics of your current business are less important than the requisite personal qualities which will include a strong, robust character, a forward thinking attitude and proven commercial acumen.

Please apply in writing to David Angel and Elizabeth Ewen at Michael Page Finance, Page House, 39-41 Parker Street, London WC2B 5LN, quoting reference J351591.

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Salomon Brothers

Manager – *Portfolio Accounting*

London **£ Excellent Package**

Salomon Brothers Asset Management Limited (SBAM Ltd), based in London, is part of a global network of asset management companies operating out of New York (headquarters), London, Frankfurt and Hong Kong with representative offices in Tokyo and Singapore. The group has approximately US$24 billion in assets under management for a global institutional client base which includes government agencies, central banks, supranational institutions, insurance companies, corporations and pension funds. SBAM Ltd is a multi-currency fixed income specialist servicing clients with a comprehensive range of sophisticated multi-currency fixed income investment management products.

Due to internal restructuring a new role has been created as Manager of the substantial non-leveraged portfolios. The Manager will be responsible for a small team carrying out client reporting, performance measurement and other administrative duties. Specific responsibilities will include:
- Product quality control – valuation, pricing and performance.
- Extensive liaison with fund managers.
- Staff development, training and appraisal.
- Formulating, developing and controlling departmental procedures.
- Contribution to IT development within the department.

Ideal candidates will be graduate accountants from an investment or related financial services background, preferably in asset management and with a full understanding of accounting and valuation procedures in relation to both fixed income and equity products (Asian equities in particular). Knowledge of AIMR and performance measurement would be an advantage.

Candidates are likely to be a minimum of three years post qualified but more emphasis will be placed on candidate maturity, experience and presence. Previous supervisory experience is essential, as is PC literacy, in particular Excel. Candidates must be articulate, confident and organised. They should be self motivated and able to work without a rigid framework and across all levels and disciplines.

Interested candidates should send a full CV with current remuneration details to Sarah Hunt at Michael Page City, Page House, 39-41 Parker Street, London WC2B 5LN, fax 0171 405 9649.

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Finance Director Designate

South Humberside **to £45,000 + Car**

Our client is a dynamic £150 million plus turnover division of an extremely successful UK Plc specialising in food manufacturing which is currently implementing strategies, resulting to them attaining a market leading position within their sector.

As a consequence of these developments and a re-positioning of their client base an outstanding opportunity has arisen for a dynamic hands-on commercially astute Finance Director Designate. This is a high profile key appointment within the organisation requiring initially the development of a more targeted, responsive and user friendly, real time management information system. Reporting directly at Board level, you will be responsible for three separate business environments.

The role will involve:
- Recognising commercial opportunities and variances within the company and evaluating solutions.
- On going liaison with Operational Directors to identify and pursue commercial objectives.
- Jointly preparing forecast budgets and long range plans.
- Development of effective management information providing on-line executive support.
- Enhance the costing and performance tracking systems of the organisation.

You will be an ambitious qualified CIMA accountant in your early to mid 30's, with a real desire to succeed, with excellent interpersonal, communication and leadership skills. You will be hands-on, highly commercial and possess a proven track record of achievement, ideally with a blue-chip FMCG manufacturing background. Extensive experience and exposure to costing and pricing is a necessity. You will be capable of becoming Finance Director within two years.

If you feel you have the necessary commerciality and dynamism to succeed in this challenging, high profile role, please send a comprehensive CV, quoting reference 353171, to Martin Hanratty, Michael Page Finance, 28-32 St Pauls Street, Leeds LS1 2PX. Alternatively fax him on 0113 243 3177, or telephone him on 0113 246 9155.

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Business Unit Controller
Global Markets – Asia

Singapore **Attractive Package + Benefits**

• Leading International Investment Bank •

Our client is the leading international investment bank and one of the world's leading financial institutions renowned for their innovative products and derivative structures.
In line with the expansion in the Asia-Pacific, they are seeking a senior level finance and risk control person to head up their Global Markets Business Unit Controlling function in Asia.

Leading a team of experienced finance professionals, you will be responsible for all products, ie FX/MM, futures, options, equities, fixed income, OTCs, swaps and structured derivatives. You will be the driving force linking front to back office, dealing with daily product accounting issues, quantitative risk analysis, P&L attribution and P&L commentary analysis. Your contribution will be instrumental to the strategic direction of this unit.

To succeed in this role, you should have a track record of at least eight years in a derivatives product control function in a financial institution and possess solid product and accounting knowledge, analytical and management skills. You should be driven with good interpersonal and communication skills.

Salary and remuneration package will be highly attractive for the right candidate.

Please telephone Lee Foong Kam on 00 65 533 2777 or send a curriculum vitae to Michael Page International, 24 Raffles Place, #17-05 Clifford Centre, Singapore 048621. Fax 00 65 533 7227.

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Finance Director
The future is Right...the future is Ownership

South Devon **c £40,000 Package + Equity + Relocation**

Our client, a £4 million turnover hi-tech service based business is currently undertaking an MBO. With a new management team, the business has been substantially turned around, creating the opportunity for a Head of Finance. This will require an individual with the drive and ambition to jointly take the business through the millennium (planned growth at over 300%).

Operating as leaders in a truly niche market sector, your role will consume all areas of finance. Reporting to the Managing Director and leading the finance and IT team of six, emphasis will be placed on cash management, financial planning and performance monitoring thereof. Responsibilities will extend to cover the full review of business requirements/demands (both internal and external) to give clear uncomplicated MIS upgrading.

With growth both organic and acquisition based, you will be responsible for the full evaluation of any potential joint venture, new venture, investment or targeted competitor.

Due to clear focus on realising the aspirations of the senior management team, you will possess a track record of achievement emulating from a 'Big 6' background, combined with a numerate degree from a leading university. Probably aged 28-35, you will have shown and be able to demonstrate leadership and commercial skills that will compliment the existing young, creative management team.

If your background and CV have the right profile and you possess a resilient, commercial bias, please send a comprehensive covering letter and CV (including current package and day time telephone number) to Gareth Davage at Michael Page Finance, 29 St Augustine's Parade, Bristol BS1 4UL, quoting BTTT.

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FINANCE DIRECTOR

Hertfordshire **c £70,000+ Package (including car and bonus)**

Our client is the International Division of a major international contracting Group, listed on the London Stock Exchange. They now seek a Finance Director for the Division which has a turnover of £150 million and operations in the Near East, Middle East and Asia.

THE POSITION

- Working as part of the executive team which is responsible for identifying, analysing and selecting, suitable target markets and formulating and delivering business strategies.
- Overall responsibility for the financial management of the international businesses and development and leadership of the headquarters-based divisional finance team.
- Ensuring first-class, timely financial reporting routines, complying with group requirements, adding value to top-line management.

QUALIFICATIONS

- A qualified accountant of graduate calibre, likely age 35-45, with a proven track record in commercial financial management.
- Relevant sector knowledge (construction/engineering) with senior experience of a large group environment and of international operations.
- Proven management skills, with the ability to motivate and develop individuals and establish and conduct excellent lines of communication across all levels of an international operation.
- Strong operational and strategic intellect, presenting first class credentials to contribute towards the continuing drive for growth and success.

Interested candidates should write, enclosing full career and current salary details, to the advising consultant Jon Boyle, at Questor International Ltd, 3 Burlington Gardens, London W1X 1LE. Please quote reference 2243.
Telephone: 0171 292 8300. Fax: 0171 287 5457. E-mail: jon@questorint.com

QI
QUESTOR INTERNATIONAL

WORKING ABROAD

Working in Asia: Banking
Singapore and Hong Kong

Wednesday 18th June 1997 – 6.30pm

Michael Page International is hosting a seminar in Central London for accountants (newly qualified to five years PQE) interested in working in the banking industry in Singapore or Hong Kong. Our Singapore Director, Scott [illegible] will be in London to offer you the opportunity to discuss career possibilities in Singapore and Hong Kong.

Demand for this seminar is likely to be high, so telephone early to avoid disappointment. Please contact Kate Timms on 0171 269 2548 as soon as possible for a [illegible]

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GlaxoWellcome

Financial Reporting Accountant

c £35,000 + BENEFITS • GREENFORD, MIDDLESEX

Glaxo Wellcome is one of the world's largest pharmaceutical companies with annual sales of £8 billion, operating companies in 83 countries and 54,000 employees worldwide. Its shares are listed on stock exchanges in London, New York and Tokyo.

Due to their ongoing philosophy of personal development within the finance team, Glaxo Wellcome wishes to appoint a new Financial Reporting Accountant in Group Finance at their global headquarters in Greenford. Group Financial Reporting is responsible for the production of quarterly, consolidated Group accounts and the preparation of the Group's externally published financial reports in accordance with legal and listing requirements.

Working within a small high profile team, your responsibilities will encompass:

- Generation, analysis and interpretation of consolidated financial data and reports.
- *Development of financial reports so as to achieve a fair* and balanced portrayal of Glaxo Wellcome's business performance and objectives.
- *Liaison with Group companies and head office departments* on accounting issues.
- Development of the process of production of consolidated data and supporting financial reports.
- The review and implementation of technical accounting requirements as they affect Glaxo Wellcome.

Prospective candidates will be ACA qualified with post-qualification experience, either making a move from *practice or from industry with relevant experience. You will* need strong accounting skills and up-to-date technical knowledge, combined with good interpersonal and organisational skills.

With this role come the rewards and career progression that only Glaxo Wellcome can offer. Should you feel you possess the qualities to meet this challenging opportunity, please telephone Keith Mackenzie on 0171 269 2262 to discuss *further or forward your curriculum vitae to Michael Page* Finance, Page House, 39-41 Parker Street, London WC2B 5LN. Fax 0171 242 3578.

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Commercial Manager

Information Technology

LONDON **c£60,000 + BENEFITS**

Coopers & Lybrand is one of the leading providers of business advisory services in the UK and internationally. The UK firm numbers approximately 10,000 partners and staff and operates from more than 30 offices. Knowledge and information are at the heart of all that we do and information technology is a key enabler of our business. A major programme of enhancement to information systems is underway and the commitment to improvement is ongoing rather than one-off.

The Commercial Manager will lead a team of twelve with responsibility for every aspect of commercial financial management and procurement that you would expect to be associated with a very substantial project and operational IT/IS budget - in effect a Finance and Procurement Director for this increasingly significant part of the firm. You will set the agenda in managing all existing and new IT related *contracts and can look forward to extensive senior level* contact both internally and with suppliers.

A graduate qualified accountant of the very highest calibre, you will bring several years experience of financial management, including management accounting for services and projects, from a blue chip environment. You must be fully conversant with the IT sector. We therefore envisage you will have a background which includes responsibility for the financial aspects of IT in a major user or relevant experience in an IT/IS hardware/software/services provider. Ideally you will have experience of complex negotiations and a good awareness of contract law implications. This is a high visibility role with the opportunity to develop a career in the wider firm.

Please send full personal and career details, including current remuneration and daytime telephone number, in confidence to Tim Latham, Coopers & Lybrand Executive Resourcing Ltd, *1 Embankment Place, London WC2N 6NN, or e-mail:* tim_latham@gb.coopers.com quoting reference TL1260/F.

Schroders

Finance and Administration Director Indonesia

Schroders is one of the largest and most international of the UK based investment banking groups. South East Asia plays an important part in our strategy and we currently employ around 60 people in the Investment Banking and Investment Management businesses in Indonesia. The Company is a member of the Jakarta Stock Exchange.

An opportunity has arisen for a Finance and Administration Director in order to strengthen the team in Jakarta. The role, reporting jointly to the Managing Director in Indonesia and the Finance and Administration Director in S. E. Asia (based in Singapore), encompasses responsibility for the financial and administrative affairs, including regulatory and control aspects, and for monitoring settlements, IT and HR. The successful candidate will be a qualified accountant with several years' post-qualification experience, a part of which must have been in the financial services industry. Strong management skills will be essential as will the ability to handle a broad range of responsibilities. Fluency in English is mandatory. Asian experience preferable and Bahasa Indonesian desirable.

A competitive package is offered and there are opportunities for career progression within the Schroder Group world-wide.

Applications, including full résumé, should be sent to Sue Cox, Group Personnel Director, **Schroders, 120 Cheapside, London EC2V 6DS.**

Finance Director – Germany

c. DM250,000 + Bonus + Benefits **Frankfurt**

Our client is a multi-billion dollar organisation that is recognised as being a market leader in the transportation service industry.

This US based multinational corporation is currently seeking a Finance Director for its German business unit. Responsibilities will include:

- Direct the financial and accounting functions of the business unit in accordance with US GAAP standards and local statutory *requirements.*
- Prepare, analyse and interpret financial matters for utilisation by management in the decision making process and evaluate the data with reference to company and unit objectives.
- *Establish and maintain an integrated financial plan* consistent with the company's goals and objectives, both short and long term, analysed and revised as required and communicated to all levels of management.
- Develop and revise internal control standards to provide guidance *and assistance to other members of* management in ensuring conformance with company standards.
- Oversee assigned tax, treasury, purchasing and MIS functions, maintain appropriate relationships with internal and external auditors and develop and maintain systems and procedures in accordance with company standards.

The ideal candidate will be a qualified accountant, and MBA in Finance would also be a benefit. With at least 10 years' experience with a US multinational organisation you will possess prior Controllership or FD experience. Given the highly commercial focus of this position, the individual will *display both strong technical skills* and considerable business acumen.

This is a challenging and demanding role which will require a pro-active individual with superior communication skills, a grasp of day-to-day management as well as the ability to make a significant contribution, at a strategic level, to the performance and profitability of the company. Fluent English and German is essential.

Suitable candidates should forward their details to the advising consultant at Harvey Nash Plc, 13 Bruton Street, *London W1X 7AH. (Tel: 0171 333 0033, Fax: 0171 333* 0032.) Please quote reference number HNF187FT. You may also apply via http://taps.com/Harvey_Nash

HARVEY NASH

This international FMCG company was established to capitalise on new opportunities in emerging markets. They have achieved tremendous success in recent years, and expect to double sales in the next 5 years.

They are now seeking to appoint an ambitious Financial Controller with a hands-on approach to join this dynamic and entrepreneurial team.

FINANCIAL CONTROLLER

c. £40k + considerable performance related benefits **Belgium**

The Role

Reporting to the Managing Director you will be solely responsible for:

- management reporting for group and company
- control of assets, group costing and pricing
- budget, statutory accounts and VAT
- divisional control for the group factory
- supporting local staff in all financial areas

The Person

- a qualified accountant with around 5 years experience
- an international company background, preferably in FMCG
- solid experience in MRP and ABC gained in a manufacturing or logistics environment
- strong leadership and man-management skills
- clear and effective communication skills.

This is an outstanding opportunity for an ambitious young accountant who responds best to a dynamic and entrepreneurial environment.

If you possess an enthusiasm for change, are an innovative thinker and wish to take part in this ambitious growth plan then apply in writing to Christopher King, Mercuri Urval Limited, Spencer House, 29 Grove Hill Road, Harrow, Middx HA1 3BN quoting Ref: CK/FC/97.

Mercuri Urval

Deputy Group Treasurer

Major Manufacturing Plc

£45,000 + Excellent Benefits **London**

Superb opportunity for young Treasurer in blue-chip international group.

THE COMPANY

- Progressive, diversified, substantial plc. Strongly branded. Undertaking major change management programme.
- Worldwide manufacturing operations. Reputation for innovative product development.
- Commitment to strong financial discipline and profitable growth.

THE POSITION

- Report to Group Treasurer. *Key member of small, focused* team.
- Responsibilities within operations, systems, risk management and financing.
- Major role in management of worldwide cash and borrowings. Build effective internal and external links.

QUALIFICATIONS

- Graduate with ACT and accountancy qualifications. Minimum 3 years' plc treasury experience.
- Strong technical competence. Computer literate; state of the art systems knowledge.
- *Enthusiastic self starter* able to balance risk minimisation with creative solutions. Team builder.
- Energetic, dynamic; clarity of thought, attention to detail. Outstanding interpersonal skills.

***Please send full cv,* stating salary, ref LG70516, to NBS, 54 Jermyn Street, London SW1Y 6LX**
Fax 0171 409 1786 Tel 0171 493 6392

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Financial Controller

Retail Sector

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Bright and ambitious finance professional for business with flotation prospects.

THE COMPANY

- Nationally recognised, dynamic and highly profitable £70m retailer of ladies' fashionwear. Extensive UK branch network: in-house manufacturing operation. Strong niche market focus.
- Track record of rapid expansion, clear strategic plans for further organic growth. Flotation prospects within 2-3 years.
- Challenging and *meritocratic* working environment. Highly focused, innovative and entrepreneurial Board.

THE POSITION

- Real opportunity to impact performance and growth as key *member of management* team. *Fully devolved* responsibility for financial management.
- Implement tight financial controls. Drive improvements in systems and procedures to deliver competitive advantage.
- Develop strong interface with retail operations in particular. Lead, motivate and develop team of 22. Report to Finance Director.

QUALIFICATIONS

- Bright, qualified accountant with exceptional commercial flair. First class intellect. Retail or manufacturing experience
- Disciplined self starter with strong attention to detail. Good internal relationship builder. Strong IT modelling skills.
- Confident, articulate and results driven. Prepared to stand up and be counted.

Please send full cv, stating salary, ref LD70602, to NBS, Yorkshire House, Greek Street, Leeds LS1 5SX
Fax 0113 243 2339 Tel 0113 245 3830

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Applications are encouraged from [illegible] to five years experience in project control in the engineering, petrochemical, construction, oilfield [illegible] and similar industries. Candidates may be finance professionals with an accounting [illegible] an engineering background with an MBA.

Successful candidates would be [illegible] effective communicators and [illegible] internationally. Multiple [illegible] further asset.

Currently [illegible] and Europe.

Interested applicants should contact [illegible] Paul Blunt on +44 171 583 7533 or fax [illegible]
Alternatively [illegible]

asbury marsden

Hamilton House,
1 Temple Avenue,
London EC4Y 0HA.
Email: [illegible]

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Schlumberger Oilfield Services is a leader in providing the oil and gas industry with a wide range of services during exploration and production activities.

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EUROPEAN AUDITOR

Exciting Pan-European Opportunity for German Speaker

Watford

Competitive Salary + Benefits

With operations in 40 countries spanning Europe, America and Asia this manufacturing group has established market leadership in its core business areas. They are pioneers in their field. The development of leading edge technologies combined with focused, innovative business practices has contributed to dramatic organic and acquisitive growth.

Based near London, the European audit team is young, multi-cultural and commercial. As a key member of this team and working closely with all levels of management, you will review operational and financial aspects of the activities in Europe with a clear focus on ***Germany, Austria and Switzerland***.

Trouble-shooting, systems development and special project work such as analysing business and technical accounting issues will be important aspects of this role. The successful candidate will therefore be a qualified accountant or equivalent with at least 3 years' auditing experience. You will be fluent in English and German and will relish the prospect of a multi-cultural role with approximately 40% European travel.

This represents a unique opportunity to impact positively upon the efficiency and profitability of the European business, using a consultative approach which will add value. Career prospects are excellent both in Europe and group-wide.

Interested applicants should write to **Robert Macmillan** at Nicholson International (Search and Selection Consultants), Bracton House, 34-36 High Holborn, London WC1V 6AS quoting reference number UKR110275. Alternatively fax your CV on 0171 404 8128 or e-mail: robert@nicholsonintl.com

NICHOLSON INTERNATIONAL UK

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Corporate Auditor

Based Germany **100 000 - 125 000 DM**

Continental is one of the world's largest tyre manufacturers with an annual turnover in excess of £4bn. We are committed to developing and supporting our global operations and hence our policy is to only recruit high calibre individuals with a genuinely international outlook. As part of this process, we now require an experienced Corporate Auditor to be based at our Head Office in Hannover.

Primarily you will be responsible for reviewing various aspects of the business and identifying opportunities for performance improvement. You will consider areas such as business systems and processes, adding value to the operation by recommending ways of improving efficiencies. Your operational and systems reviews will be presented to the board in detailed reports which will be used to form the basis of the company decision making process.

You will be a graduate, hold a full CA, ACA or ACCA qualification (or possibly an MBA with a strong financial bias). In addition, you will have a high degree of computer literacy, a flexible attitude to regular travel and an appreciation of international business.

In return, the company offers an excellent salary and benefits package, but most importantly the promise of a career with an organisation of international standing.

Please send your C.V. by fax to +49 511 938 1950 or by post to
Continental AG, Personnel, Vahrenwalder Str. 9, 30165 Hannover, Germany.

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GROUP FINANCE DIRECTOR

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CENTRAL LONDON **COMPETITIVE PACKAGE INCLUDING OPTIONS**

- Young and highly successful plc with turnover approaching £10m and plans for continued dynamic growth. Strong portfolio of recognised brands, with significant potential for further development both in the UK and overseas.
- Member of a closely-knit senior management team, operating in an informal and open culture, your brief as Finance Director is to ensure the ongoing control of growth within this entrepreneurial environment.
- Commercially focused role, with responsibilities ranging from interface with the City, strategy development and business development monitoring, to routine reporting and administration.
- Candidates will have operated at Finance Director level within a fast-growth, change orientated business. Ideally this should be coupled with experience of licensed products, managing the interface with both manufacturers and retail customers.
- Must be comfortable with an informal culture where a shirt sleeves approach is as important as having the interpersonal skills to interface credibly with the City and senior management team. Flexibility and the ability to prioritise within this demanding and multi-faceted role are prerequisites.
- The package is structured to ensure that candidates are able to benefit directly from the success of the business.

Please apply in writing quoting reference 1417
with full career and salary details to:
Susan Ryder
Whitehead Selection
11 Hill Street, London W1X 8BB
Tel: 0171 290 2043
http://www.ghnet.co.uk/whitehead

Whitehead SELECTION

A division of Whitehead Mann Ltd,
a Whitehead Mann Group PLC company

Financial Controller

£60,000pa+Car+Bonus+Benefits **South West Midlands**

International Company – Market Leader

If you combine broad financial experience with contract negotiation skills, this is your opportunity to help shape the future of this internationally successful organisation.

A leading edge blue chip company, our client's interests span a diverse range of market sectors. Based at their Head Office, this corporate role will carry responsibilities for a number of subsidiaries within the group.

You will take responsibility for the holding company's financial function and you will provide effective commercial input to the preparation, negotiation and evaluation of multi million pound contracts in the UK as well as overseas. You will also be expected to take a strategic overview of the business and make a major contribution to the board.

You should be a chartered accountant with at least five years all-round experience gained in a large, multi-faceted organisation at senior level. Flexible, pragmatic and adaptable, you will be capable of seeing the wider picture without losing your eye for detail. Shrewd negotiating skills, exceptional commercial acumen and a natural gift for communicating and influencing will be essential.

The right person can look forward to a salary in the region of £60k supported by generous benefits and exceptional prospects. Please send your cv in confidence, quoting reference A1497, to: Peter Watts, Consultant, Austin Knight UK Ltd, Knightway House, 20 Soho Square, London W1A 1DS. Fax: 0171 439 5744.
E-mail: pwatts@austinknight.co.uk

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Is your future bright enough?

Finance Analyst - Germany

In less than seven years, GE Lighting-Europe (GEL-E) has grown to become a leading player in the European lighting industry, investing $800 million in the region since 1990. Part of GE's $79 billion global empire, GEL-E has more than 8,000 products, 13 manufacturing sites Europe-wide and a strategic vision which puts it on track to become the quality provider of lighting products across the continent.

To support its growing operations in Central Europe, France and Benelux, the company seeks a commercially-minded Finance Analyst to work closely with the regional Sales Director. Acting as a business partner in developing and implementing strategic initiatives, the role focuses on leveraging analytical skills to help drive the business forward and maximise returns. With particular emphasis on major strategic accounts, there will be close involvement in negotiations with key customers and support for GE's Six Sigma quality initiative, generating significant improvements in customer service and satisfaction.

This key appointment will provide pan-European exposure to GE's operations in a fast-moving, highly competitive market. Liaising at senior levels, candidates must have strong analytical skills, around 2-5 years' financial analysis experience and excellent communication ability, with the confidence to develop productive working relationships at all levels within the business.

Fluency in English and proficiency in German are important, together with the drive and mindset to thrive in GE's meritocratic environment and the mobility to travel to GEL-E's operations throughout Europe. In return, the challenge, exhilaration and career prospects will be unrivalled, with an attractive salary package and a truly bright future in GE's global operations.

To apply, please fax or post your CV quoting current salary details and ref: 210 to our retained consultants, Alderwick Consulting [illegible]
95 Fetter Lane, London EC4A 1EP. Fax [illegible]
For more information, please phone [illegible]
or (+44) 181 467 1408 or (+44) 966 [illegible] (evenings and [illegible]

Any CV sent direct to GE will be forwarded to Alderwick Consulting Ltd.

GE is an equal opportunity employer.

**Not connected with the English company of a similar name.*

GE Lighting

German Speaking Accountant

Our client is managing the European accounting function of a large US multinational manufacturing organisation, with a turnover of £400m in Europe. They are now looking to recruit a German speaking accountant to look after the Swiss part of the business and ultimately become responsible for the German operations.

The Position

- Preparation of financial statements in accordance with local statutory requirements & provision of detailed monthly management information to tight deadlines
- Compilation of financial information including actual and projected performance levels
- Cash management & forecasting
- Managing a small team of multi-lingual accounting personnel

The Candidate

- Experience and understanding of German and/or Swiss accounting practices together with fluency in German
- A qualified accountant with hands on experience gained preferably in a manufacturing environment
- Outstanding communication and management skills
- Excellent systems and spreadsheet literacy
- A knowledge of SAP R/3 would be advantageous but is not essential

Please send your current CV and salary details to:
Louise Bazille, CSL Professional Placements, Ashton House, Silbury Boulevard, Central Milton Keynes, MK9 2HG. Alternatively you can fax us on 01908 678 941 or E-Mail us on Louise_Bazille@CSL.Touche.Co.Uk.

In the future we will be seeking qualified accountants with other European language skills, so if you are looking to put your languages to use, please apply to the same address or visit our web site.

http://www.csl-professional-placements.co.uk

CSL

Deloitte & Touche

PROJECT FINANCE MANAGER

HIGH VALUE INVESTMENT PROJECTS

HIGHLY COMPETITIVE PACKAGE NORTH WEST OR LONDON

Recognised by successive governments as the most cost-effective method of funding major public construction work, Private Finance Initiatives will increasingly take centre stage in the years to come. As part of a major international group with an unrivalled profit and investment programme, our client is leading the field in securing £multi-million contracts, having already achieved preferred bidder status on several initiatives.

An outstanding career opportunity has now been created for a first rate Manager to be responsible for all aspects of planning, *executing and managing* the financial aspects of major projects and for developing long-term relationships with joint-venture partners, external advisers and institutions. Evaluation of risk and cashflow management on structured non-recourse projects are essential elements of this exciting and challenging position.

Chartered Accountant candidates will require sound experience of structuring and closing finance for complex, long-term projects, joint ventures or major contracts in the UK and possibly internationally, ideally gained within a major company, bank or financial institution. Highly credible at senior level, candidates will have the personal skills to build relationships with colleagues from all disciplines and fellow consortia members, together with the flexibility and drive to achieve stretching objectives.

The Finance Manager role is ideal for managers aspiring to strong career development within this leading International group.

Please call to discuss or send a CV to Sue Tyrer at Howgate Sable & Partners, Arkwright House, Parsonage Gardens, Manchester M3 2LF. Tel: 0161-839 2000, Fax: 0161-839 0064, quoting ref: FT50002.

Visit our web site at http://www.topjobs.co.uk/howgate

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EXECUTIVE SEARCH AND SELECTION

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A PIVOTAL ROLE IN THE MANAGEMENT OF CHANGE

LOGISTICS

PACKAGE TO £60,000 PLUS CAR NORTH WEST

This profitable, multi-sited European plc has grown significantly over recent years, both organically and through acquisition. While upgrading its systems to millennium compliant software, it is also taking the opportunity to move towards common processing and reporting group-wide.

Reporting directly to the Group Finance Director, you will be heavily involved in the implementation of a common accounting system and introducing more efficient accounting and reporting, both in the UK and Continental Europe. Leading an expanding team, you will instil a more customer focussed culture to develop a centre of excellence, introducing 'best practice' concepts in financial processing to drive higher levels of performance and improvement to exploit the centre's effectiveness.

A qualified accountant with no less than five years' post qualification experience, you must have experience of implementing new systems in a *sizeable financial* accounting environment. You will have demonstrated an ability to work with internal customers to provide an effective and efficient service, and understand the business issues they face. Your communication and interpersonal skills must be of the highest order and will have been proven in a man management role. Essentially, the requirement is for a systems focussed accountant who can drive through lasting cultural and procedural change.

Please send a CV to Joelle Warren at Howgate Sable & Partners, Arkwright House, Parsonage Gardens, Manchester M3 2LF. Tel: 0161-839 2000, Fax: 0161-839 0064, quoting ref: FT479W.

Visit our web site at http://www.topjobs.co.uk/howgate

Howgate Sable
& PARTNERS
EXECUTIVE SEARCH AND SELECTION

London • Manchester • Leeds • Newcastle

FINANCIAL CONTROLLER

Investment Management

City

c.£50,000, car, bonus

Our client is the investments division of a market leading, blue chip, financial services group which has an excellent record of profits and dividend growth. A culture of dynamic evolution drives the business forward in a rapidly changing and highly competitive market.

The Financial Controller will lead a high calibre finance team in the provision of broad financial management expertise and business support, and in particular will:

- Drive short and long term business planning and forecasting
- Proactively encourage a strong risk and control environment
- Develop more effective financial analysis and decision support services
- Continue to evolve a strong customer focus within the finance team

Candidates will be graduate qualified accountants with at least 6 years' PQE and a demonstrable record of achievement, preferably gained in a fast moving, financial services environment. Strong analytical ability and commercial acumen combined with outstanding leadership and communication skills will be essential. This is a high profile role requiring interface at all levels of management and will provide substantial opportunity for 'fast track' career development.

Interested candidates should write with full CV, quoting current rewards package, to Mark Hurley, Hoggett Bowers, 7-9 Bream's Buildings, Chancery Lane, London EC4A 1DY. Tel: 0171 430 9000, Fax: 0171 405 5995, quoting ref: HMH/11880/FT.

Hoggett Bowers
EXECUTIVE SEARCH & SELECTION

INVESTOR IN PEOPLE

THE PSD GROUP

BUSINESS SERVICES MANAGER

Business to Business

Surrey

To £45,000, bonus, car

Our client is one of the world's leading manufacturers of chemical speciality products for commercial maintenance and industrial markets. Highly recognised brands and quality service have contributed to the year on year profitable growth which the company seeks to sustain. Integral to the company's plans for further growth and development is the appointment of a Business Services Manager for the UK operation, who reports to the Managing Director and will *make an immediate impact and contribution* in driving the business forward.

Responsibilities will include:

- Effective management of all aspects of the finance function
- Provide commercial and financial input on all business plans
- To co-ordinate all relevant Human Resources activities
- Optimise customer service and supply chain performance to add significant value to the business

This challenging role will provide a finance professional with a unique opportunity to contribute in commercial and general management as well as financial terms, to the bottom line.

As a graduate calibre qualified Accountant you will have a strong technical background as well as excellent management and communication skills together with an ability to build effective cross functional relationships. You must be able to demonstrate a well developed commercial mind and a flexible hands-on approach.

Interested candidates should write with full CV, quoting current rewards package to Karen Wilson or Angela Mascias, Hoggett Bowers, 7-9 Bream's Buildings, Chancery Lane, London EC4A 1DY, Tel: 0171 430 9000, Fax: 0171 405 5995, quoting ref: HKW/11926/FT.

Hoggett Bowers
EXECUTIVE SEARCH & SELECTION

INVESTOR IN PEOPLE

THE PSD GROUP

FINANCIAL CONTROLLER/ FINANCIAL DIRECTOR DESIGNATE,

Docklands, London E16

A qualified accountant (ACA/ACCA/ICMA) is required by a large Import/Export company. Ideally aged between 25-30 with at least 2-3 years post-qualification experience. Computer experience is essential (ideally SCALA, EXCEL).

Duties will include:

1. Full responsibility for the company accounting function and computer systems supported by a small accounting team.
2. Preparation of budgets and forecasts.
3. Company secretarial duties.

A competitive salary will be paid to the successful applicant together with a benefits package.

**To apply, please write enclosing your
CV to Box A5456, Financial Times,
One Southwark Bridge,
London SE1 9HL**

Finance Manager

c.£50,000
+ car
+ share options

Hi-tech Multinational

South East

Our client is one of the world's leading players within the fastest growing segment of the IT industry. World class technology, innovative products, strong corporate management and bold global marketing have combined to create a multi-billion dollar organisation with an impressive record of high growth.

Continuing challenges in this dynamic company now require the recruitment of a talented Finance Manager.

Key duties are:

- ▶ **Worldwide business planning and reporting**
- ▶ **Provision of commercial advice and support to product and operations management**
- ▶ **Development of management information systems**
- ▶ **Ad hoc financial analysis and decision support**
- ▶ **Training and development of staff**

Candidates must be graduate calibre qualified accountants with hi-tech or high volume product based experience within a fast-changing international business.

Strong interpersonal skills should be combined with a proactive supportive style, people management skills and broad financial management experience. Excellent career development opportunities include future promotion within the UK, Europe or the USA.

To apply, please submit a curriculum vitae, together with current salary details, quoting reference 38474, to Peter Ward ACMA, Martin Ward Anderson, Lloyds Bank Chambers, The Maltings, St Albans, Hertfordshire AL1 3HU.

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LONDON • WINDSOR • ST ALBANS

Coopers & Lybrand | Executive Resourcing

Finance and Administration Director

NOTTINGHAM c £40,000 PACKAGE + SHARE OPTIONS

Being a world leader in its field of innovative clinical research for the pharmaceutical industry, this business has started to see sustained, rapid growth which is expected to continue. Turnover is now close to £1.5m and expected to quadruple within three years. The business is profitable.

The Chief Executive now needs a full time Finance and Administration Director to control all of the non technical aspects of the business in such as way as will ensure that the business grows in a controlled fashion, allowing the technical players in the business to concentrate on capitalising on their unique position in this niche market place.

You should be a graduate qualified accountant with a hands on style, who at the same time will be able to play a part in the development of the business as a whole. You should be I.T. literate, have experience of a project/contract control environment, possess excellent communication and motivation skills and be comfortable operating in a business of some 30 people in total which operates internationally. A knowledge of the mechanisms of a flotation would be an advantage as this exit route is currently being planned for the future.

Please send full personal and career details, including current remuneration level and daytime telephone number, in confidence to John Elliott, Coopers & Lybrand Executive Resourcing Ltd, Temple Court, 35 Bull Street, Birmingham B4 6JT, quoting reference JE335 on both envelope and letter.

Finance Director - Europe

Barcelona c£70,000 + benefits

Our client is a global organisation with the most impressive brand portfolio in its market sector. With a reputation for quality and excellence throughout the world our client now seeks an impressive individual for an operational role which encompasses:

- Preparation of Regional Manufacturing strategy with particular emphasis on the group's cost and working capital control
- Evaluation of capital expenditure and future investment plans
- Responsibility for all financing issues, ensuring strong financial controls throughout the region
- Providing leadership and career development of key regional finance executives

You will possess strong analytical, planning and commercial problem solving skills, with a minimum of 10 years PQE combined with 5 years influencing group strategy. Fluency in Spanish or Italian with international exposure will be advantageous.

To discuss this opportunity telephone Jason Gasparro on 0171 405 4161 quoting reference no: 3249 or alternatively send your details to him at the address below:

5 Bream's Buildings
Chancery Lane
London EC4A 1DY
Tel: 0171 405 4161
Fax: 0171 430 1140
E-Mail fmc@psd.co.uk
Internet www.psd.co.uk

PSD
FMS
Finance and Accountancy Recruitment

INVESTOR IN PEOPLE

هكذا من الأصل

FINANCE DIRECTOR

LONDON

£70,000

This 27 partner legal firm enjoys an established reputation and consistent growth. As well as thriving property and commercial teams the firm is pre-eminent in the field of insurance law and liability litigation. They seek to strengthen the management of the practice by recruiting an influential Finance Director to support the partnership in its continued development.

Working with a Finance Committee, in addition to the standard accountancy routines, responsibilities will include budgeting procedures, improving automated data capturing systems, and analysis of trends for manegement purposes. The individual will be a key pleyer in the efficient menagement of the prectice and will need to be e relationship manager in the truest sense. Cendidetea must be qualified accountants, able to demonstrate their abilities to influence colleagues and instigate change in an environment where the preservation of personal trust is paramount.

Please apply, in confidence to Stephen Williams, 15 Bloomsbury Square, London WC1A 2LJ, Phone 0171 831 8383, fax 0171 831 9571.

CEDAR INTERNATIONAL
CORPORATE · EXECUTIVE DEVELOPMENT · AND · RESOURCING · PLC

Poplar HARCA

Poplar HARCA is a new housing and regeneration agency working in the London Borough of Tower Hamlets. Following a positive vote by tenants, the HARCA will take over just under 2,000 homes on three estates in early 1998. Subject to further tenant ballots, the HARCA will over the next three years grow to 6,500 homes, delivering a multi-million pound refurbishment and regeneration programme. The HARCA now wishes to recruit its first senior staff.

Finance Director

Salary £46,000 - £52,000 p.a.

The Finance Director will establish and lead the team responsible for financial control and financial management. The Finance Director will take personal responsibility for managing the HARCA's loan portfolio and relations with lenders.

Candidates will need to be fully qualified (CA, ACCA, CIMA or CIPFA), and experienced and effective financial managers. Experience of developing and implementing complex financial strategies is essential. The emphasis of the Senior Management Team will be on performance. Candidates will need to show a track record in achieving corporate as well as departmental objectives.

Candidates should apply in their own style by 16 June 1997 at 12 noon to HACAS, the HARCA's advisers, whose address is given below. An information pack is available from HACAS.

HACAS Ltd, United House, North Road, London N7 9DP.
Telephone 0171 609 9491. Fax 0171 700 7599.

HACAS

HSBC Markets

HSBC Markets is seeking three qualified candidates to join its highly successful Global Structured Finance Group. The Tokyo team, with responsibility for origination, structuring and executing Asian based transactions is looking to build on its recent widely publicized successes. If you are currently working for a major international investment bank and are looking to join a global team of experienced professional responsible for managing the entire transaction instead of simply "sales" or "origination" we are interested in meeting with you.

The three successful candidates will be able to demonstrate the following:

Senior Transactor

- Extensive experience in originating, negotiating and closing structured transactions which may draw on your background in capital market products and derivatives;
- A track record showing your capability to generate fee income in line with the value you have contributed to client driven, cross border transactions;
- Strong relationships with issuers and/or investors.

Junior Transactor

- Strong understanding of structured finance and asset securitization transactions;
- Numerate with good analytical and computer skills;
- Minimum of three years experience in international finance or investment banking.

Team Assistant

- Strong command of both spoken and written English;
- Efficiency in computer (MS Office applications) and organizational skills;
- Work experience in foreign bank or securities firm preferred.

For each of the above positions, a high degree of emphasis is placed on self-starters with excellent presentation and interpersonal skills. International experience, particularly in Asia, would be an advantage. Each position offers significant scope for personal development and advancement. Salaries and benefits shall be competitive and commensurate with experience.

Interested parties should contact Human Resources Department at
HSBC James Capel Japan Limited, Tokyo Branch, Kyobashi Itchome Building, 13-1,
Kyobashi 1-chome, Chuo-ku, Tokyo 〒104 Tel: (03) 5203-3747

Finance Director

VENTURE CAPITAL INVESTMENT

£60,000 + Equity ***Home Counties***

An outstanding opportunity to join a £15m multi-site service organisation, with ambitious growth plans and operating in a dynamic sector. The result of a successful venture capital investment.

- **RESPONSIBILITY** is to the Managing Director for running a professional finance function combined with an authoritative input into the commercial and strategic direction of the Company, including the preparation for a Stock Market flotation or Trade Sale.
- **THE NEED** is for a qualified accountant, probably a graduate, aged 30–40, of above average intellect, with well developed analytical powers and commercial acumen. Good communication skills and leadership qualities are essential. Previous experience in a service organisation would be desirable.

Write in confidence enclosing a Curriculum Vitae and remuneration package, quoting reference T8342 to:

TK
SELECTION
8 Hallam Street, London W1N 6DJ. Fax: 0171 631 5317
A DIVISION OF TYZACK & PARTNERS

EXECUTIVE CONNECTIONS

European Audit Managers

c£36,000 + Car + Benefits West London

"Great marketing, great cashflow, and a great growth profile". A bold statement from an already highly successful company that is perfectly placed to continue its growth in the field of international consumer products under its new name of Fortune Brands. With worldwide sales of $4.7bn, and twelve brands that generate over $100m each the group focusses primarily on distilled spirits, golf and leisure products and office equipment. Notable names include Jim Beam, Whyte & Mackay, Titleist, and ACCO. Operating from new offices in West London, the company now seeks to recruit a number of professionals to form its European audit team.

Acting alone or as part of a team, auditors will take a 'value for money' approach to their reviews, with management of larger projects revolved throughout the team. The function will adopt risk based techniques covering areas as diverse as finance, production, distribution, sales and marketing. With a high level of project work, the emphasis will lie in adopting a progressive audit philosophy that stresses a consultative approach to the work.

Frequent European travel (50% of your time) and exposure to senior management/Board Directors means that auditors must have exemplary interpersonal skills, and a high degree of commercial acumen. The team will be a multi-disciplined function, and as such, whilst all members will have commercial experience, backgrounds can vary. Of particular interest are qualified accountants with previous internal audit/line finance experience, candidates with extensive knowledge of distribution/manufacturing environments, or individuals with a good knowledge of Management Information Systems. A second European language (preferably French) is particularly useful, as is knowledge of interrogation software (preferably ACL). Individuals should be able to show high degrees of initiative and flair in order to take advantage of future worldwide opportunities.

FORTUNE BRANDS

To register your interest in these exceptional opportunities please contact our retained consultants **Matthew Derwood** or **Paul Glatzel** at **Executive Connections** on **0171 304 9000 (evenings/weekends 0171 254 3849)**. Alternatively send your Curriculum Vitae to them at **43 Eagle Street, London WC1R 4AP. E-mail: Fortune.Brands@executive-connections.co.uk or Facsimile: 0171 304 9001.**
Please note: Any CVs sent directly to Fortune Brands will be forwarded to Executive Connections.

CARIBBEAN BANK SENIOR POSITIONS

GENERAL MANAGER

We are seeking a mature banker with 20 years or more of banking experience in a broad range of positions with major OECD Financial institutions. Candidates are expected to have strong general management background in branch administration and operations and to have served in senior positions in the Commercial and Personal Lending area, preferably in both line and staff roles. Candidates should possess a good balance of leadership, banking experience and academic qualification. The position reports to the Executive Director of the Bank.

CREDIT/AUDIT MANAGER

We are seeking a senior credit officer for the bank. Candidates for this position must have at least 20 years experience in banking and particularly in credit department account management. The ideal candidate will have had exposure as both a senior lending officer and a senior credit manager in major OECD Financial institutions. Exposure to an internal audit role would be an asset. We are seeking a common sense individual with a good balance of experience and academic qualifications. This position reports to the Executive Director of the Bank.

We offer attractive remuneration based on the level of experience the candidates bring to the roles. Packages include U.S. Dollar salary and automobile/housing allowance. Applications from Caribbean nationals are encouraged but all applications will be considered on their merits.

Please forward detailed resumes together with an indication of the salary level expected by mail, email or fax by June 20th 1997 to OTIC Corporation, 177 East 77th Street - 5D, New York, NY, 10021. Email: otic@oticcorp.com. Fax: (212) 628-0116

UK & MEA Finance Director

Maidenhead [illegible]

Business Objects is the world's leading supplier of integrated query, reporting and analysis software tools. Listed on the US NASDAQ stock exchange and with dual headquarters in both Paris and San Jose, CA, the company continues to have year-on-year growth with worldwide revenues in excess of $85m. The opportunity exists for an individual to further develop their career and make a significant contribution to the development and growth, at a corporate level, of this World Class global software company in the UK & MEA region.

Reporting to the Vice President of Finance, who is based in Paris, the UK & MEA Finance Director will be responsible for all areas of accounting and financial control, including responsibility for Ledger Control, Distribution, Human Resources & Payroll and Facilities Management. In addition this person will be responsible for all of the company's policies and procedures, in particular those regarding revenue recognition and contractual licensing language and practices. You will also be expected to provide a contribution to both Corporate and Local Strategies.

The ideal candidate will have a minimum of 5 years' experience, with a combination of public accounting (audit) experience and operational management of a finance function. Working alongside the UK Managing Director and based in the UK, you will need to demonstrate management of corporate and local issues, as well as the ability to interact with various clients and service providers. We would expect you to have experience of US Accounting Practices as well as an appreciation of the IT industry.

To apply contact David Brett, Recruitment Manager, on the number below, or send your details to him at: Business Objects (UK) Ltd, Objects Court, 29-41 Moorbridge Road, Maidenhead, Berkshire SL6 8LT.

Tel: 0181 878 5300. Fax: 0181 876 9614.

E-mail: david_brett@businessobjects.co.uk

http://www.businessobjects.com

BUSINESS OBJECTS

Coopers & Lybrand | Executive Resourcing

Group Finance Director

MIDLANDS TO £60,000 + BONUS + SHARE OPTIONS + BENEFITS

As a small, profitable, highly respected PLC operating in the design conscious F.M.C.G. market place, focus remains on quality and responding promptly to blue-chip customer needs. The market place is an international one with all the opportunities and challenges that brings.

The Group needs to appoint a commercially minded Finance Director who will play a pro-active role in the management of the Group, whilst maintaining a close link with the main operational units.

Candidates should be qualified graduate accountants who can demonstrate a progressive track record gained in a quality manufacturing environment. You should possess sound I.T. skills, be able to deliver to a high standard and provide a strong commercial input. Experience of dealing with the City would be desirable but not essential. Acquisitions experience would be preferable as would knowledge of Company Secretarial matters.

Please send full personal and career details, including current remuneration level and daytime telephone number, in confidence to John Elliott, Coopers & Lybrand Executive Resourcing Ltd, Temple Court, 35 Bull Street, Birmingham B4 6JT, quoting reference JE336 on both envelope and letter.

IT Appointments

AINSWORTH & ASSOCIATES

Business, IT and Training Solutions in Finance

Ainsworth and Associates are specialists in the development of Business Solutions and the application of Information Technology in Finance, with long experience of financial business operations in many different client environments. During the past ten years, we have developed a reputation for excellence unequalled in our field.

Owing to recent expansion we are currently seeking to recruit

Principal & Senior Consultants

with experience in

Project Management

You have at least 5 years experience running multi-man-year bespoke developments or package selection/systems integration projects using modern Project Management tools and methods within the financial services industry

Business Analysis

Your profound understanding of the financial services industry will have been gained over a period of 5 – 8 years developing IT solutions with a leader in Asset Management, Custody, Securities Trading & Processing, Investment Banking or Life & Pensions.

Systems Integration

You have specialist understanding in areas such as interfaces, data integrity and security, application and infrastructure performance and tuning, software configuration management, and supplier management gained in a sophisticated financial services environment.

Software Development

You are an accomplished practitioner in the use of PowerBuilder, C++ or VB5, maybe with team leading experience for large scale developments ideally but not necessarily in the financial services sector.

We offer an attractive remuneration package including equity participation and provide an excellent environment for personal development

In the first instance please contact our retained consultants, quoting reference DA/5, Vine Potterton Limited, Suite 26, Ludgate House, 107-111 Fleet Street, London EC4A 2AB, Tel 0171-955 0900. Fax. 0171-955 0901.

KPMG

Senior Business Analysts

- **United Arab Emirates**
- **£Excellent, tax free + generous expatriate benefits**

Our client is a major financial institution, with its principal operational base in the United Arab Emirates. As a consequence of a decision to replace all of its core IT systems, the need has arisen to appoint two Senior Business Analysts to work with the Chief Information Officer to define and implement a new IT strategy.

These are senior roles, to undertake definition of the business requirements and to set standards of best business practice for the new systems implementation.

Successful candidates will be graduates, preferably with a second degree, with at least ten years' IT experience, of which at least six will have been in the financial services industry. They will be able to demonstrate a track record of implementing successful projects either from a business analyst or project management point of view. Extensive knowledge of current IT technology will be required, particularly of UNIX, Windows, NT and networking technologies and a clear understanding and knowledge of the work of a major financial institution, particularly fund management. Excellent communication skills will be needed, as will be a high level of diplomacy and sensitivity to situations. Individuals should be used to working alone or in a team, heading up projects or working with business groups to define requirements and be able to deliver, through the IT department, creative, innovative and effective solutions.

If you are highly motivated and clear thinking, with a strong desire to improve business performance through state of the art IT systems, please send your CV with details of current remuneration to:

Bernard Grant, KPMG Executive Selection & Search, 1-2 Dorset Rise, Blackfriars, London EC4Y 8AE. Fax number: 0171 311 5872. (Ref: SBA)

KPMG Selection & Search

SYSTEMS ACCOUNTANT

CENTRAL LONDON / UP TO £45,000

+ BONUS AND BENEFITS

The Economist Group is an independent and international publishing and information group. Turnover has doubled in the past five years and is now approaching £200m. The group has 1400 employees worldwide and is set to continue to invest and grow.

As Systems Accountant, you will be responsible for the maintenance and further development of the group's global accounting system. A member of the finance function, but with close links with the group's IT departments and business managers, you should have experience of mid-range PC-based client server accounting software.

Currently based on Platinum and with sites in London, Hong Kong and North America, you will have the ambition and vision to build and invest in a system that can accommodate the group's future growth and information needs. You should also be comfortable with accounting in a multi-currency environment. This high-profile role will involve close communication and an understanding of business requirements.

Please apply with full details to John Parker, Group Financial Controller, at the address below.

The Economist

THE ECONOMIST GROUP

THE ECONOMIST GROUP
15 REGENT STREET
LONDON SW1Y 4LR

FT IT Recruitment appears each Wednesday in the UK edition, and each Friday in the international edition

For more information on how to reach the top IT professionals in business call:

Mark Cunnington on +44 171 873 3761

Courtney Anderson on +44 171 873 4095

£42,000 + car + bonus + top benefits

IT Controller

Thorn is a major international group with an annual turnover in excess of £1.5 billion. In Europe, Thorn operates in 13 countries and the core businesses are brand leaders in their respective markets.

This is an opportunity with Thorn Europe, owing to the creation of a new management role with pan European exposure, to establish high standards of procedures for professionally managing all systems changes impacting on finance across Europe and ensuring compliance with those procedures. Responsibilities include:

- Regular reporting at Director and senior management level across the UK and Europe.
- Defining policy to system change control for finance, across Europe.
- Managing the day-to-day working relationship with the IT function, on behalf of finance.
- Guiding the European Finance Team on technology and service related decisions. Advising on prioritisation of systems resource/budget.

You are likely to be a qualified ACA accountant with in excess of five years PQE, preferably with a background in the Profession and subsequent commercial experience. You should also posses a knowledge of project management implementation, as well as understanding process and control implications. Strong interpersonal skills and the ability to build and develop working relationships in conjunction with the ability to influence and manage potentially conflicting situations are essential skills. You should also be a results focused, tenacious individual who can grasp new ideas and concepts quickly.

This is a high profile opportunity, reporting to the Director of Finance, within a prestigious and forward-thinking multinational. Career development opportunities within the Group are first class and the financial package includes bonus, PRP, and other benefits associated with a major international corporation.

Please apply enclosing a full CV and details on your current salary package, quoting ref RB2611, to Rachel Boyland at Robert Half International, Princess Beatrice House, Victoria Street, Windsor, Berks, SL4 1EH. **Telephone: 01753 857 777 Facsimile: 01753 841 676**

Any CV submitted direct to Thorn will be forwarded to Robert Half as retained consultants

Theale Nr. Reading

ROBERT HALF. **THORN**

Bilinguagroup

THE INTERNATIONAL LANGUAGE RECRUITMENT SPECIALISTS

Product Manager
to £100K + Bonus + Bens

Rapidly expanding int'l co requires top marketing expert with German and/or French. Good computer mainframe awareness a must and good business acumen exp. knowledge of EU issues including the single currency. Great influential role!

Technical Support Consultant with German
£22K + Car + Bens

IT expert with knowledge in Unix, Networks, SQL, PCs and some hardware for true customer support role, responsible for Germany, Austria and Switzerland. Exc. prospects! Lots of travel!

Int'l Software Engineers - Belgium/France/Germany
to £30K + Car + Bens

Growing IT co. needs Software Engineers with min 3 years exp. Good knowledge of Windows '95, MS Office, DOS and Windows, with French or German.

STOP PRESS!!!

If you are an IT expert with foreign language skills, call us now, as we have more exciting opportunities, permanent, temporary and contract!!

Bilinguagroup Rec Cons
[illegible] Maddox Street, London [illegible]

EQUITIES TRADING
SYSTEMS TRAINER

Required on London Order Driven Market project within Equities. Trading experience essential, training experience desirable.

For details contact: 01483 747 111

Appointments Advertising

appears in the UK edition every Wednesday & Thursday and in the *International edition every Friday.*

For further information please call:
Courtney Anderson on
+44 0171 873 4095

FT
FINANCIAL TIMES
Television

IT SUPPORT ASSISTANT

Salary: £17K (Dep. on Exp.)

Financial Times Television is an affiliate company to the Financial Times Newspaper, and a division of Pearson Television producing over 7 hours of live programming daily. Our 80+ staff consisting of Journalists, Producers, Technical and Marketing and Admin staff produce and broadcast our unique brand of programmes from within our central London studios.

We require an IT Support Assistant to help manage our TCP/IP and NBT Network of 30+ Windows 95 and WFWG PCs, IRIS UNIX servers, terminal servers and 40 VT520 clients (distributing News wires and Autocue/promoter feeds).

The vacancy is mainly to support the PC network but we would expect the successful candidate to come to grips with most of our IT resources.

The ideal candidate would be eager to learn about IT systems within the television industry with approx. 1 years experience. IT support can be a stressful job especially within this type of environment so all candidates must be able to work effectively under pressure.

Please forward a recent CV and covering letter.

Maurice Dean
IT Manager,
Financial Times Television
1 Stephen Street
London W1P 1PJ

Fax: 0171 691 6068

A Pearson Television Company

Technology Careers in Investment Banking

BZW

An evening Seminar for fast track professionals

Central London **Thursday 19th June**

In your academic life you made a huge personal investment in your knowledge and skills.

Now you have high ambitions and aspirations to achieve. But where?

You are motivated by challenge. You aspire to be part of a global industry. You are fascinated by technology and innovation and want a career where these are at the heart of success. Investment banking seems to meet these criteria, but you want to learn more. So what next?

If these aspirations strike a chord, you should attend our forthcoming seminar which is aimed at top calibre graduates who seek challenge, opportunity and career development in the global financial markets.

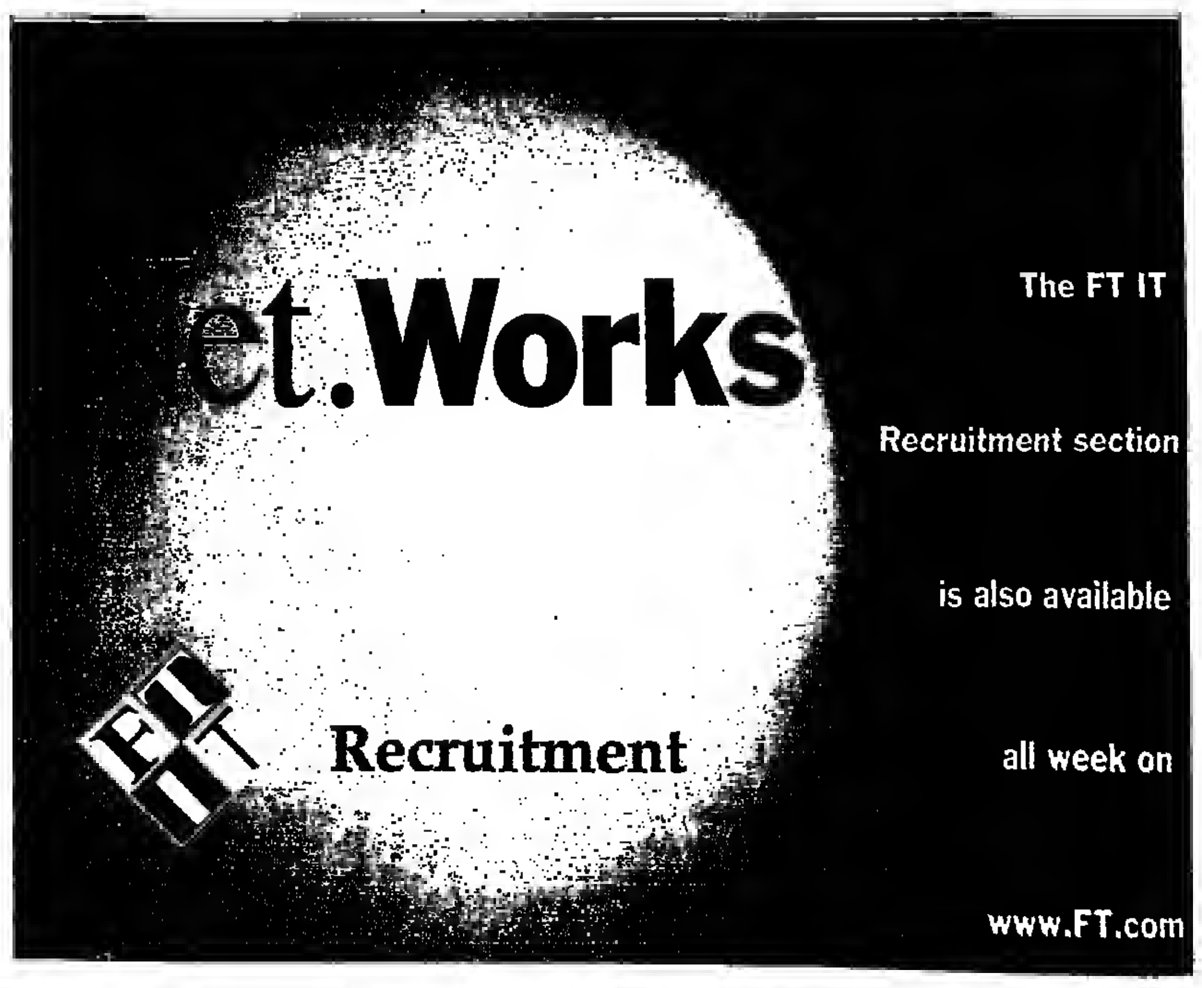
The evening will be informative but informal. You will hear about BZW, careers in technology and about specific opportunities, direct from the BZW team.

As to your background, you may be in technology or just thinking about making the move. We are flexible about recent industry experience and previous financial services knowledge is not a pre-requisite. However, a career in BZW Technology requires strong intellect, a good degree, excellent communication skills and the ability to work in a team. Age range sought is 23-28 with 2-5 years experience gained within a blue-chip environment.

If you are interested in attending the seminar, please return the attached form as soon as possible to Fiona Robertson, Michael Page Technology, Freepost, London WC2R 5BR, or via the Internet on http://taps.com/Michael_Page

MP
Michael Page Technology
Specialist Recruitment Consultants

NAME: ______________________ ADDRESS: ______________________
____
TELEPHONE NO (H): ______________________ (W): ______________________
CURRENT EMPLOYER: ______________________ AGE: ______________________
JOB TITLE: ____
DEGREE (class, subject, university) ______________________ FT 1



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